



JOHAN HOLDINGS BERHAD

(Company No. 314-K)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 JULY 2013

	Note	Current Quarter 3 months ended 31 July		Cumulative 6 months ended 31 July	
		2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Continuing operations					
Revenue	K1	84,189	72,538	153,318	144,486
Cost of sales		(29,643)	(24,241)	(49,336)	(48,143)
Gross profit		54,546	48,297	103,982	96,342
Other income		1,649	2,293	4,396	4,731
Administrative and other expenses		(43,039)	(47,159)	(87,576)	(87,607)
Earnings before interest, tax, depreciation and amortisation		13,156	3,430	20,802	13,467
Depreciation and amortisation		(6,014)	(3,012)	(8,695)	(5,940)
Finance cost		(11,576)	(10,046)	(22,032)	(20,928)
Loss before tax	K1/K5	(4,434)	(9,628)	(9,925)	(13,402)
Income tax expense	K6	(1,088)	(620)	(2,046)	(1,607)
Loss from continuing operations		(5,522)	(10,248)	(11,971)	(15,009)
(Loss)/ Profit from discontinued operation	K7	(958)	564	(935)	635
Loss for the period		(6,480)	(9,684)	(12,906)	(14,374)
Other comprehensive (loss)/ income:					
Foreign currency translation difference for foreign operations		(5,308)	3,499	2,084	4,235
Total comprehensive loss for the period		(11,788)	(6,185)	(10,822)	(10,139)
(Loss)/Profit for the period attributable to :					
Owners of the parent		(6,565)	(9,793)	(13,057)	(14,508)
Non-controlling interest		85	109	151	134
		(6,480)	(9,684)	(12,906)	(14,374)
Total comprehensive loss attributable to:-					
Owners of the parent		(11,873)	(6,294)	(10,973)	(10,273)
Non-controlling interest		85	109	151	134
		(11,788)	(6,185)	(10,822)	(10,139)
Loss per share attributable to equity holders of the parent:					
Basic & diluted loss per share for the period (sen)					
- Continuing operations	K13	(0.90)	(1.65)	(1.94)	(2.42)
- Discontinued operation		(0.15)	0.08	(0.15)	0.09

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 January 2013 and the accompanying explanatory notes attached to the interim financial statements)

**JOHAN HOLDINGS BERHAD**(Company No. 314-K)
(Incorporated in Malaysia)**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT**

	Note	Unaudited As at 31 July 2013 RM'000	Audited As at 31 January 2013 RM'000
Property, plant and equipment		272,494	278,087
Inventories-Non current		6,312	6,100
Intangible assets		25,166	25,062
Investment securities		1,435	1,418
Deferred tax assets		8,897	9,367
Current assets			
Inventories		31,416	35,537
Receivables		706,343	671,406
Tax recoverable		618	618
Investment securities		13,211	10,689
Cash and bank balances		91,157	72,763
		<u>842,745</u>	<u>791,013</u>
Current liabilities			
Payables		207,107	181,305
Tax payable		8,879	8,691
Investors certificates		437,954	411,653
Loan and borrowings	K9	137,204	228,821
		<u>791,144</u>	<u>830,470</u>
Net current assets/ (liabilities)		51,601	(39,457)
		<u>365,905</u>	<u>280,577</u>
Share capital	M6	311,474	311,474
Reserves			
Share premium		69,415	69,415
Exchange reserve		11,949	9,865
Accumulated losses		(182,992)	(169,935)
Attributable to equity holders of the parent		209,846	220,819
Non-controlling interest		9,175	9,024
Total equity		<u>219,021</u>	<u>229,843</u>
Long term liabilities			
Loan and borrowings	K9	105,496	9,424
Deferred tax liabilities		7,888	7,810
Senior certificates		33,500	33,500
		<u>365,905</u>	<u>280,577</u>
Net assets per share (sen)		<u>33.69</u>	<u>35.45</u>

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 January 2013 and the accompanying explanatory notes attached to the interim financial statements)

**JOHAN HOLDINGS BERHAD**

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

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 JULY 2013

	<-----Attributable to owners of the parent----->						
	Share capital RM'000	Share premium RM'000	Foreign currency translation reserves RM'000	Accumulated losses RM'000	Equity attributable to owners of the parent, total RM'000	Non- controlling interests RM'000	Total equity RM'000
Balance as at 1 February 2012	311,474	69,415	11,709	(155,189)	237,409	13,248	250,657
Total comprehensive income/(loss) for the period	-	-	4,235	(14,508)	(10,273)	134	(10,139)
As at 31 July 2012	<u>311,474</u>	<u>69,415</u>	<u>15,944</u>	<u>(169,697)</u>	<u>227,136</u>	<u>13,382</u>	<u>240,518</u>
Balance as at 1 February 2013	311,474	69,415	9,865	(169,935)	220,819	9,024	229,843
Total comprehensive income/(loss) for the period	-	-	2,084	(13,057)	(10,973)	151	(10,822)
As at 31 July 2013	<u>311,474</u>	<u>69,415</u>	<u>11,949</u>	<u>(182,992)</u>	<u>209,846</u>	<u>9,175</u>	<u>219,021</u>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 January 2013 and the accompanying explanatory notes attached to the interim financial statements)

**JOHAN HOLDINGS BERHAD**

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

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
ENDED 31 JULY 2013**

	6 months ended 31 July	
	2013 RM'000	2012 RM'000
Cash flows from operating activities		
Loss before tax		
-Continuing operations	(9,925)	(13,402)
-Discontinued operation	(935)	635
	<u>(10,860)</u>	<u>(12,767)</u>
Adjustments for non-cash and non-operating items:		
- Non-cash items	17,232	11,827
- Investing and financing items	23,855	21,651
Operating cash flows before working capital changes	<u>30,227</u>	<u>20,711</u>
Changes in working capital:		
- Changes in current assets	(31,267)	(86,123)
- Changes in current liabilities	26,867	51,635
Loan interest paid	(22,032)	(20,970)
Interest received	54	395
Tax paid	(2,341)	(3,509)
Net cash flows generated from / (used in) operating activities	<u>1,508</u>	<u>(37,861)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,592)	(4,444)
Purchase of intangible assets	(1,471)	-
Proceeds from disposal of a subsidiary	446	-
Proceeds from disposal of investment securities	674	2,367
Acquisition of investment securities	(1,176)	(592)
Net cash used in investing activities	<u>(6,119)</u>	<u>(2,669)</u>
Cash flows from financing activities		
Repayment of lease obligation and finance lease obligation	(161)	(1,346)
Net drawdown from investor and senior certificates	26,428	3
(Repayment)/drawdown of bank borrowings	197	20,405
Net cash generated from financing activities	<u>26,464</u>	<u>19,062</u>
Net change in cash and cash equivalents	21,853	(21,468)
Effects of foreign exchange rate changes	(7,861)	(9,091)
Cash and cash equivalents at beginning of period	49,139	24,321
Cash and cash equivalents at end of period	<u>63,131</u>	<u>(6,238)</u>
Analysis of cash and cash equivalents:		
Cash and bank balances	91,157	83,793
Bank overdrafts	(28,026)	(90,031)
	<u>63,131</u>	<u>(6,238)</u>

(The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 January 2013 and the accompanying explanatory notes attached to the interim financial statements)



JOHAN HOLDINGS BERHAD

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

NOTES TO THE INTERIM FINANCIAL REPORT

M1 Basis of Preparation

The interim financial report is unaudited and had been prepared in compliance with the requirements of Malaysian 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 2013.

Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the year ended 31 January 2013 except for the adoption of the following new/ revised MFRS and IC Interpretations for financial year beginning 1 February 2013:

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

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

(a) Effective for financial periods beginning on or after 1 July 2012

- Amendments to MFRS 101 : Presentation of Items of Other Comprehensive Income

(b) Effective for financial periods beginning on or after 1 January 2013

- MFRS 10 : Consolidated Financial Statements
- MFRS 11 : Joint Arrangements
- MFRS 12 : Disclosure of Interests in Other Entities
- MFRS 13 : Fair Value Measurement
- MFRS 119 : Employee Benefits
- MFRS 127 : Consolidated and Separate Financial Statements
- MFRS 128 : Investments in Associates and Joint Ventures
- Amendments to MFRS 7 : Disclosures - Offsetting Financial Assets and Financial Liabilities
- Amendments to MFRS 10 : Consolidated Financial Statements : Transition Guidance
- Amendments to MFRS 11 : Joint Arrangements : Transition Guidance
- Amendments to MFRS 12 : Disclosure of Interests in Other Entities : Transition Guidance
- Annual Improvements to IC Interpretations and MFRSs 2009-2011 Cycle

MFRSs, Revised MFRSs, IC Int. and Amendments to IC Int.

MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)	1-Jan-15
Amendments to MFRS 10, 12 & 127	Investment Entities	1-Jan-14
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1-Jan-14
Amendments to MRFS 136	Recoverable Amount Disclosures for Non-Financial Assets	1-Jan-14
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting	1-Jan-14

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

M2 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the year ended 31 January 2013 was unqualified.

M3 Seasonal or Cyclical Factors

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



JOHAN HOLDINGS BERHAD

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

NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

M4 Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items due to their nature, size or incidence registered during the financial quarter under review except for the loss of RM863,000 arising from the disposal of a subsidiary.

M5 Changes in Accounting Estimates

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

M6 Debt and Equity Securities

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

M7 Dividend Paid

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

**JOHAN HOLDINGS BERHAD**

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

NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**M9 Event Subsequent to the Balance Sheet Date**

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

M10 Changes in Composition of the Group

William Jacks (Australia) Pty Ltd, a wholly owned subsidiary of the Group had on 31st May 2013, completed the disposal of its wholly subsidiary, Skinner Engineering Pty Ltd. Both companies are incorporated in Australia.

M11 Changes in Contingent Liabilities

There were no contingent liabilities as at the reporting date.

M12 Capital Commitment

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 July 2013 RM'000
Approved and contracted for	<u><u>5,053</u></u>

M13 Related Party Transactions

	Current Quarter 3 months ended 31 July		Cumulative 6 months ended 31 July	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Transactions with corporations in which two Directors are deemed interested through their interest in George Kent (Malaysia) Bhd :-				
Sales of tiles	-	-	3	-
Sales of air tickets	172	-	187	215
Recovery of share registration and listing fees	21	99	43	119
Rental expense from motor vehicles	-	-	8	-
Purchases of goods	<u>2,617</u>	<u>883</u>	<u>4,062</u>	<u>883</u>

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



JOHAN HOLDINGS BERHAD

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

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

K1 Review of Performance

For the financial quarter under review, the group registered a revenue from continuing operations of RM84.189 million compared to corresponding quarter of RM72.538 million, higher by 16.1% mainly from Diners card business and property development.

The Group incurred a loss before tax from continuing operations of RM4.434 million against corresponding quarter loss before tax of RM9.628 million, an improvement of 53.9%. This was due to higher revenue and lower administrative expenses.

The hospitality and card services segment recorded a higher revenue and lower loss in current quarter compared to corresponding quarter. This was due to higher interest income and service fees.

The engineering and building materials business recorded higher revenue and lower loss in current quarter as compared to corresponding quarter as a result of improvement in production, both quantity and quality in tiles business.

The healthfood business recorded lower revenue and lower loss in current quarter compared to corresponding quarter.

The investment holding and secretarial companies incurred higher losses in current quarter due to currency exchange losses as a result of weakened Ringgit Malaysia.

Group loss from continuing operations was RM5.522 million compared to corresponding quarter loss of RM10.248 million, an improvement of 46.1%.

The discontinued operation incurred a loss of RM0.958 million for the quarter under review. This relates to the subsidiary, Skinner Engineering Pty. Ltd., whose disposal was completed on 31 May 2013.

K2 Variation of Results Against Preceding Quarter

Total revenue from continuing operation for the current financial quarter was RM84.189 million, higher by 15.3% when compared to preceding quarter's RM73.028 million. The Group incurred a loss of RM6.480 million compared to preceding quarter's loss for the period of RM6.445 million.



JOHAN HOLDINGS BERHAD

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

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

K3 Current Year Prospect

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

The card business targets to further expand its Buy Now Pay Later programme, corporate cards base and engage in anti-attrition programme to expand its card base. Diners Club is embarking on brand awareness campaign to encourage members spendings. The travel business will continue to tender for corporate incentive outbound tours.

The hotel business is focused on government and corporate sectors to improve the food and beverage revenue whilst increasing its occupancy rate.

The tiles business will focus on maintaining the production quality and introduce new products range to achieve a consistent and higher selling price.

The health foods and supplements business will continue to source for new products. A new outlet will be opened in Singapore in the third quarter.

The market conditions in which the Group companies operate in will remain competitive. The Group is expected to perform better in current year.

K4 Profit Forecast

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

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

	Current Quarter 3 months ended 31 July		Cumulative 6 months ended 31 July	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Loss before tax is arrived at after charging/(crediting) :				
a) Interest income	(48)	(155)	(54)	(248)
b) Other income including investment income	(1,581)	(2,576)	(3,656)	(4,519)
c) Foreign exchange gain	-	(318)	(1,929)	(766)
d) Interest expense	11,576	10,046	22,032	20,928
e) Depreciation and amortisation	6,014	3,012	8,695	5,940
f) Provision for and write off of receivables	3,178	2,035	7,444	3,655
g) Provision for and write off of inventories	452	-	815	74
h) Foreign exchange loss	5,359	2,919	5,388	3,790
i) Loss on disposal of a subsidiary	863	-	863	-

K6 Tax Expense

	Current Quarter 3 months ended 31 July		Cumulative 6 months ended 31 July	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Tax expense based on results for continuing operations: -				
Current				
- Malaysian tax	-	188	-	(8)
- Foreign tax	(1,100)	(826)	(2,076)	(1,697)
	(1,100)	(638)	(2,076)	(1,705)
Deferred taxation	12	49	30	98
	(1,088)	(589)	(2,046)	(1,607)

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

**JOHAN HOLDINGS BERHAD**

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

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)**K7 NOTES TO CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (CONT'D)**

On 31st May 2013, the William Jacks (Australia) Pty Ltd, disposed off it's 100% subsidiary, Skinner Engineering Pty Ltd for a sales consideration of AUD293,000 (RM935,000). The results of the discontinued operation and the comparatives are as follows:-

	Cumulative 6 months ended 31 July	
	2013 RM'000	2012 RM'000
Revenue	5,275	7,536
Cost of sales	(3,755)	(4,675)
Gross profit	<u>1,520</u>	<u>2,862</u>
Other items of income		
Interest income	10	137
Other items of expenses		
Marketing and distribution costs	(1,128)	(1,732)
Administration and other operating expenses	(466)	(590)
Finance costs	(7)	(42)
Loss on disposal of subsidiary	(863)	-
(Loss)/Profit before taxation	<u>(935)</u>	<u>635</u>
Income tax expense	-	-
(Loss)Profit for the period	<u>(935)</u>	<u>635</u>

Effect of disposal on the financial position are as follows:-

	Unaudited As at 31 July 2013 RM'000
Property, plant and equipment	958
Inventories	475
Trade receivables	3,945
Other receivables	97
Cash and cash equivalents	1,166
Deferred tax	503
Trade and other receivables	(5,344)
Net assets and liabilities	<u>1,798</u>
Loss on sales of discontinued operation	(863)
Sales consideration	<u>935</u>

**JOHAN HOLDINGS BERHAD**(Company No. 314-K)
(Incorporated in Malaysia)**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K8 Status of Corporate Proposal Announced**

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

K9 Borrowings and Debt Securities

	Unaudited As at 31 July 2013 RM'000	Audited As at 31 January 2013 RM'000
a) Short term borrowings		
Secured		
- Bank overdrafts	21,313	18,426
- Revolving credits & short term loans *	95,754	191,791
- Trust receipts and bankers' acceptance	5,109	3,875
- Term loans	5,340	6,295
- Hire purchase and lease creditors	2,975	2,840
	<u>130,491</u>	<u>223,227</u>
Unsecured		
- Bank overdrafts	6,713	1,568
- Revolving credits and short-term loans	-	4,026
	<u>6,713</u>	<u>5,594</u>
Total short term borrowings	<u><u>137,204</u></u>	<u><u>228,821</u></u>
b) Long term borrowings		
Secured		
- Term Loan *	100,168	3,842
- Hire purchase and lease creditors	5,328	5,582
Total long term borrowings	<u><u>105,496</u></u>	<u><u>9,424</u></u>

* Included herein are bank borrowings which have been extended for another three years in June 2013.

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

	RM'000	RM'000
Denominated in Singapore Dollar	<u>212,267</u>	<u>209,346</u>

K10 Off Balance Sheet Financial Instruments

The Group does not have any financial instrument with off balance sheet risk as at 25 September 2013.

K11 Changes in Material Litigation

There were no material litigations during the quarter under review.

K12 Dividend

The Board does not recommend any dividend for the financial period ended 31 July 2013 (31 July 2012 : Nil).

**JOHAN HOLDINGS BERHAD**(Company No. 314-K)
(Incorporated in Malaysia)**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K13 Earnings / (Loss) per Share****Basic & diluted**

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

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

	3 months ended 31 July		6 months ended 31 July	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Loss for the period attributable to ordinary equity holders of the parent				
- Continuing operation	(5,604)	(10,302)	(12,113)	(15,083)
- Discontinued operation	(961)	514	(944)	575
	<u>(6,565)</u>	<u>(9,788)</u>	<u>(13,057)</u>	<u>(14,508)</u>
Number of ordinary shares ('000) in issue	<u>622,948</u>	<u>622,948</u>	<u>622,948</u>	<u>622,948</u>
Basic & diluted loss per share				
- Continuing operation	(0.90)	(1.65)	(1.94)	(2.42)
- Discontinued operation	(0.15)	0.08	(0.15)	0.09
	<u>(1.05)</u>	<u>(1.57)</u>	<u>(2.09)</u>	<u>(2.33)</u>

K14 Realised and Unrealised (Losses)/ Profit

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

	As at 31 July 2013 RM'000	As at 31 July 2012 RM'000
Total accumulated losses of Johan Holdings Berhad and its subsidiaries :		
- Realised	(376,336)	(413,443)
- Unrealised	21,690	64,107
	<u>(354,646)</u>	<u>(349,336)</u>
Consolidation adjustments	171,654	179,639
Accumulated losses as per consolidated accounts	<u>(182,992)</u>	<u>(169,697)</u>

BY ORDER OF THE BOARD

Teh Yong Fah
Group Secretary
Kuala Lumpur
26 September 2013