

**JOHAN HOLDINGS BERHAD**

(Company No. 314-K)

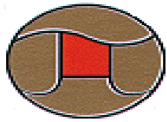
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIODS ENDED 31 JULY 2016**

	Note	Current Quarter 3 months ended 31 July		Cumulative 6 months ended 31 July	
		2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
<b>Continuing operations</b>					
Revenue	<b>K2</b>	47,106	54,783	89,970	110,233
Cost of sales		(16,504)	(18,735)	(32,197)	(36,473)
Gross profit		30,602	36,048	57,773	73,760
Other income		6,520	4,738	13,141	7,137
Marketing and distribution expenses		(4,361)	(4,318)	(9,144)	(8,034)
Administrative expenses		(28,472)	(29,448)	(49,022)	(56,820)
Other operating expenses		(2,238)	(6,411)	(4,334)	(11,670)
<b>Earnings before interest, tax, depreciation and amortisation</b>		2,051	609	8,414	4,373
Depreciation and amortisation		(3,175)	(2,916)	(6,059)	(5,619)
Finance costs		(9,651)	(9,950)	(19,184)	(19,261)
<b>Loss before tax</b>	<b>K2/K6</b>	(10,775)	(12,257)	(16,829)	(20,507)
Income tax (expense)/credit	<b>K7</b>	(36)	(84)	(41)	4,423
<b>Loss from continuing operations</b>		(10,811)	(12,341)	(16,870)	(16,084)
<b>Loss from discontinued operations</b>	<b>K8</b>	-	(314)	-	(157)
<b>Loss for the period</b>		(10,811)	(12,655)	(16,870)	(16,241)
<b>Other comprehensive (loss)/income:</b>					
Foreign currency translation difference for foreign operations		4,174	7,424	2,167	9,818
Gain on revaluation of properties		-	6,656	-	7,655
Net fair value gain on available-for-sales financial assets		-	(54)	-	(46)
<b>Total comprehensive (loss)/income for the period</b>		(6,637)	1,371	(14,703)	1,186
<b>(Loss)/Profit for the period attributable to :</b>					
Owners of the Company		(10,521)	(12,590)	(16,278)	(16,551)
Non-controlling interests		(290)	(65)	(592)	310
		(10,811)	(12,655)	(16,870)	(16,241)
<b>Total comprehensive (loss)/income attributable to:-</b>					
Owners of the Company		(6,344)	1,515	(13,410)	1,301
Non-controlling interests		(293)	(144)	(1,293)	(115)
		(6,637)	1,371	(14,703)	1,186
Loss per share attributable to owners of the Company:					
Basic & diluted loss per share for the period (sen)					
- Continuing operations	<b>K14</b>	(1.69)	(1.97)	(2.61)	(2.63)
- Discontinued operations	<b>K14</b>	-	(0.05)	-	(0.03)

*(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 January 2016 and the accompanying explanatory notes attached to the interim financial statements)*

**JOHAN HOLDINGS BERHAD**

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

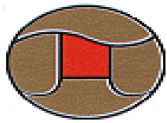
	<b>Note</b>	<b>Unaudited As at 31 July 2016 RM'000</b>	<b>Audited As at 31 January 2016 RM'000</b>
Non-current assets			
Property, plant and equipment		314,875	315,464
Inventories-Non current		6,292	6,130
Intangible assets		15,832	16,933
Investment securities		90	90
Deferred tax assets		5,474	5,474
Total non-current assets		<u>342,563</u>	<u>344,091</u>
Current assets			
Inventories		12,897	12,704
Receivables		560,906	570,480
Investment securities		25,161	20,110
Cash and bank balances		58,050	69,021
Total current assets		<u>657,014</u>	<u>672,315</u>
Total assets		<u>999,577</u>	<u>1,016,406</u>
Share capital	<b>M6</b>	311,474	311,474
Reserves			
Share premium		69,415	69,415
Exchange reserve		29,172	26,304
Investments & Properties revaluation reserve		37,873	37,873
Accumulated losses		(254,211)	(237,933)
Attributable to equity holders of the parent		<u>193,723</u>	<u>207,133</u>
Non-controlling interests		<u>3,617</u>	<u>4,910</u>
Total equity		<u>197,340</u>	<u>212,043</u>
Non-current liabilities			
Loan and borrowings	<b>K10</b>	19,564	19,336
Deferred tax liabilities		11,851	11,431
Total non-current liabilities		<u>31,415</u>	<u>30,767</u>
Current liabilities			
Payables		232,622	217,974
Tax payable		6,881	7,635
Investors certificates		440,311	450,013
Loan and borrowings	<b>K10</b>	91,008	97,974
Total current liabilities		<u>770,822</u>	<u>773,596</u>
Total liabilities		<u>802,237</u>	<u>804,363</u>
Total equity and liabilities		<u>999,577</u>	<u>1,016,406</u>
Net assets per share (sen)		<u>31.10</u>	<u>33.25</u>

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 January 2016 and the accompanying explanatory notes attached to the interim financial statements )*

**JOHAN HOLDINGS BERHAD**(Company No. 314-K)  
(Incorporated in Malaysia)**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016**

	← Attributable to owners of the Company →					→		
	← Non-distributable reserves →							
	Share capital RM'000	Share premium RM'000	Exchange reserve RM'000	Investments & Properties revaluation reserve RM'000	Accumulated losses RM'000	Equity attributable to owners of the Company, total RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>Balance as at 1 February 2015</b>	311,474	69,415	17,941	28,121	(224,798)	202,153	9,108	211,261
Total comprehensive income/(loss) for the year	-	-	8,363	9,752	(13,135)	4,980	(142)	4,838
Disposal of subsidiaries	-	-	-	-	-	-	(4,056)	(4,056)
<b>Balance as at 31 January 2016</b>	<u>311,474</u>	<u>69,415</u>	<u>26,304</u>	<u>37,873</u>	<u>(237,933)</u>	<u>207,133</u>	<u>4,910</u>	<u>212,043</u>
<b>Balance as at 1 February 2016</b>	311,474	69,415	26,304	37,873	(237,933)	207,133	4,910	212,043
Total other comprehensive income/(loss) for the period	-	-	2,868	-	(16,278)	(13,410)	(1,293)	(14,703)
<b>Balance as at 31 July 2016</b>	<u>311,474</u>	<u>69,415</u>	<u>29,172</u>	<u>37,873</u>	<u>(254,211)</u>	<u>193,723</u>	<u>3,617</u>	<u>197,340</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 2016 and the accompanying explanatory notes attached to the interim financial statements)*

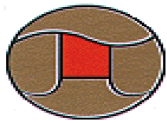
**JOHAN HOLDINGS BERHAD**

(Company No. 314-K)  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD  
FINANCIAL PERIODS ENDED 31 JULY 2016**

	<b>Cumulative 6 months ended 31 July</b>	
	<b>2016 RM'000</b>	<b>2015 RM'000</b>
<b>Cash flows from / (used in) operating activities</b>		
Loss before tax		
-Continuing operations	(16,829)	(20,507)
-Discontinued operations	-	(68)
	<u>(16,829)</u>	<u>(20,575)</u>
Adjustments for non-cash and non-operating items:		
- Non-cash items	8,409	13,260
- Investing and financing items	19,424	23,275
<b>Operating cash flows before working capital changes</b>	<u>11,004</u>	<u>15,960</u>
Changes in working capital:		
- Changes in current assets	(13,395)	(16,249)
- Changes in current liabilities	20,131	(20,815)
Loan interest paid	(19,184)	(19,448)
Interest received	302	163
Dividend income	50	87
Tax paid	(993)	(274)
<b>Net cash flows used in operating activities</b>	<u>(2,085)</u>	<u>(40,576)</u>
<b>Cash flows from / (used in) investing activities</b>		
Purchase of property, plant and equipment	(810)	(1,809)
Proceeds from disposal of property, plant and equipment	32	353
Proceeds from disposal of investment securities	105	-
Purchase of intangible assets	(268)	(234)
<b>Net cash used in investing activities</b>	<u>(941)</u>	<u>(1,690)</u>
<b>Cash flows (used in)/ from financing activities</b>		
Repayment of lease obligation and finance lease obligation	(469)	(1,913)
Increase in deposit pledged with licensed financial institutions	(101)	-
Drawdown of investor and senior certificates	-	28,992
Repayment of bank borrowings	(11,512)	(2,086)
<b>Net cash (used in)/from financing activities</b>	<u>(12,082)</u>	<u>24,993</u>
<b>Net decrease in cash and cash equivalents</b>	(15,108)	(17,273)
<b>Effects of foreign exchange rate changes</b>	(2,113)	8,993
<b>Cash and cash equivalents at beginning of year</b>	26,390	(38,352)
<b>Cash and cash equivalents at end of year</b>	<u>9,169</u>	<u>(46,632)</u>
<b>Analysis of cash and cash equivalents:</b>		
Cash and bank balances	58,050	47,913
Bank overdrafts	(45,607)	(91,410)
Pledged deposit with licensed financial institutions	(3,274)	(3,135)
	<u>9,169</u>	<u>(46,632)</u>

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 January 2016 and the accompanying explanatory notes attached to the interim financial statements)*



## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### M1 Basis of Preparation

The interim financial statements are unaudited and had been prepared in compliance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134-Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Malaysia") and should be read in conjunction with the audited financial statements of the Group for the year ended 31 January 2016.

#### Adoption of New and Revised Malaysian Financial Reporting Standards

In the current financial period, the Group has adopted all the new and revised Standards and Amendments issued by the Malaysian Accounting Standards Board ("MASB") that are relevant to its operations and effective for annual periods beginning on or after 1 February 2016 as follows:

Amendments to MFRS 101	Disclosure Initiative
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation

The adoption of these new and revised Standards and Amendments 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 and Amendments in issue but not yet effective

At the date of authorisation for issue of these interim financial report, the new and revised Standards and Amendments which were in issue but not yet effective and not early adopted by the Group and Company are as listed below:

MFRS 9	Financial Instruments <sup>1</sup>
MFRS 15	Revenue from Contracts with Customers <sup>1</sup>
Clarification to MFRS 15	Revenue from Contracts with Customers <sup>1</sup>
MFRS 16	Leases <sup>4</sup>
Amendments to MFRS 9 and MFRS 7	Mandatory Effective Date of MFRS 9 and Transition Disclosures <sup>1</sup>
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>2</sup>
Amendments to MFRS 107	Disclosure Initiative <sup>3</sup>
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses <sup>3</sup>
Amendments to MFRSs	Annual Improvements to MFRSs 2012 - 2014 Cycle <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2018

<sup>2</sup> Effective date of the Amendments which was originally for annual periods beginning on or after 1 January 2016, have been deferred to a date to be announced by the MASB.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2017

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2019. Earlier application is permitted provided MFRS 15 is also applied.

The directors anticipate that the abovementioned Standards and Amendments will be adopted in the annual financial statements of the Group and of the Company when they become effective and that the adoption of these Standards and Amendments will have no material impact on the financial statements of the Group and of the Company in the period of initial application except for MFRS 15 and 16. However, it is not practical to provide a reasonable estimate of the effect of MFRS 15 and 16 until the directors perform a detailed review.



**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 2016 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**

There were no unusual items due to their nature, size or incidence registered during the financial quarter.

**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.

**M7 Dividend Paid**

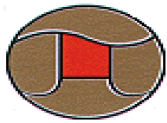
During the financial quarter, no dividend was paid by the Company.


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**M8 Segmental Information**

	Building materials		General trading		Property		Hospitality and card services		Investment holding & secretarial services		Elimination of Discontinued operation		Elimination of Continuing operations		Total	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
<b>Six months ended 31 July</b>																
<b>Revenue:</b>																
External customers	30,335	33,575	131	20,727	-	3,208	59,436	72,562	68	82	-	(19,921)	-	-	89,970	110,233
Inter-segment	-	-	-	-	-	-	-	-	124	158	-	-	(124)	(158)	-	-
Total revenue	30,335	33,575	131	20,727	-	3,208	59,436	72,562	192	240	-	(19,921)	(124)	(158)	89,970	110,233
<b>Results :</b>																
Interest income	-	-	-	-	4	4	142	9,107	294	232	-	-	(138)	(9,180)	302	163
Dividend income	-	-	-	-	49	48	1	-	-	763	-	(35)	-	(724)	50	52
Depreciation and amortisation	2,186	2,110	-	227	-	-	3,792	3,407	81	81	-	(206)	-	-	6,059	5,619
Finance costs	384	392	1	188	1,018	-	17,650	18,760	269	9,268	-	(187)	(138)	(9,160)	19,184	19,261
Earnings/(loss) before interest, tax, depreciation and amortisation	1,348	2,045	(171)	554	(297)	1,482	16,067	16,160	(8,193)	(5,659)	-	(325)	(340)	(9,884)	8,414	4,373
Segment (loss)/profit	(1,222)	(457)	(172)	139	(1,315)	1,482	(5,375)	(6,007)	(8,543)	(15,008)	-	68	(202)	(724)	(16,829)	(20,507)
<b>Assets :</b>																
Additions to non-current assets	10	33	-	494	-	-	1,064	899	4	617	-	-	-	-	1,078	2,043
Segment assets	174,334	176,713	164	32,891	18,225	18,681	750,812	767,645	58,432	35,557	-	-	(2,390)	3,359	999,577	1,034,846
Segment liabilities	20,537	22,321	169	10,313	36,181	33,922	740,573	749,794	5,052	5,672	-	-	(275)	802	802,237	822,824

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT'D)****M9 Significant Event**

On 30 April 2016, Lumut International Yacht Club ("LIYC") convened a meeting of members to seek their approval to an Extraordinary Resolution for the proposed winding up of the LIYC membership scheme (the "Scheme"). At that meeting, the said Extraordinary Resolution was unanimously approved by members present in person or represented by proxies. An application was submitted to the High Court for the Extraordinary Resolution to be confirmed and for an order for the effective winding up of the Scheme pursuant to Section 95(5) of the Companies Act, 1965. On 3 August 2016, the High Court has granted an order for the LIYC scheme to be wound up and dissolved.

**M10 Changes in Composition of the Group**

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

**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 :

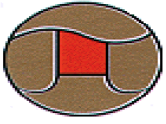
	<b>As at 31 July 2016 RM'000</b>
Approved and contracted for	28

**M13 Related Party Transactions**

	<b>Current Quarter 3 months ended 31 July</b>		<b>Cumulative 6 months ended 31 July</b>	
	<b>2016 RM'000</b>	<b>2015 RM'000</b>	<b>2016 RM'000</b>	<b>2015 RM'000</b>
	Transactions with corporations in which three Directors are also directors and/or deemed interested through their			
Sales of air tickets	286	98	391	297
Recovery of secretarial and share registration fees	37	16	66	32
Income from rental of motor vehicles, office equipment and land	37	18	55	35
	37	18	55	35

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**

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**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS****K1 Gross Billings**

	Current Quarter 3 months ended 31 July		Cumulative 6 months ended 31 July	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
	Gross billings	511,757	504,553	1,023,666

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

**K2 Review of Performance**

For the financial quarter, the Group registered revenue from continuing operations of RM47.106 million compared to corresponding quarter of RM54.783 million, lower by 14%.

The Group recorded a loss before tax of RM10.775 million compared to corresponding quarter loss before tax of RM12.257 million.

Card services segment registered lower revenue mainly due to cessation of card issuing business in Malaysia since 31 October 2015. The segment recorded a loss before tax of RM1.354 million in current quarter compared to loss before tax of RM2.487 million in corresponding quarter due to lower operating expenses.

Hospitality business registered lower revenue compared to corresponding quarter. Accordingly, the segment recorded a loss before tax of RM857,000 in current quarter compared to loss before tax of RM132,000 in corresponding quarter.

The building materials business registered lower revenue resulting in the segment recorded a loss before tax of RM221,000 in current quarter compared to profit before tax of RM107,000 in corresponding quarter.

The loss attributable to shareholders was RM10.521 million compared to RM12.590 million in corresponding quarter.

**K3 Variation of Results Against Preceding Quarter**

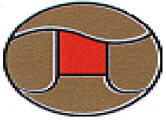
Total revenue from continuing operations for the current financial quarter was RM47.106 million, when compared to preceding quarter's RM42.864 million. The Group recorded a loss from continuing operations of RM10.811 million compared to preceding quarter's loss for the period of RM6.059 million mainly due to higher administrative expenses.

**K4 Current Year Prospect**

The current year will be challenging due to the weak conditions in the global economy and the weak regional consumption sentiment. However, the Group will continue to undertake various cautious measures to streamline the operations which will augur well for the longer term of the Group. The Board is cautious of the Group's performance in current year.

**K5 Profit Forecast**

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

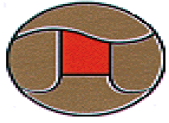
**JOHAN HOLDINGS BERHAD**(Company No. 314-K)  
(Incorporated in Malaysia)**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K6 Loss Before Tax**

	Current Quarter 3 months ended 31 July		Cumulative 6 months ended 31 July	
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
Loss before tax is arrived at after crediting/(charging) :				
a) Interest income	135	163	302	163
b) Other income including investment income	6,385	4,575	12,839	6,974
c) Interest expense	(9,651)	(9,950)	(19,184)	(19,261)
d) Depreciation and amortisation	(3,175)	(2,916)	(6,059)	(5,619)
e) Provision for and write off of receivables	(1,565)	(1,131)	(1,751)	(3,236)
f) Net foreign exchange gain/(loss)	(4,245)	(5,674)	(2,522)	(6,056)

**K7 Income Tax (Expense)/Credit**

	Current Quarter 3 months ended 31 July		Cumulative 6 months ended 31 July	
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
<b>Tax (expense)/credit based on results for continuing operations: -</b>				
Current				
- Malaysian tax	(36)	(35)	(41)	(46)
- Foreign tax	-	(122)	-	(431)
	(36)	(157)	(41)	(477)
Deferred taxation	-	73	-	4,900
	(36)	(84)	(41)	4,423

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. The deferred tax credit in 2015 was due to reversal of deferred tax liabilities no longer required.

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**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K8 Profit From Discontinued Operations**

In the last financial year, the Group disposed its 66.08% stake in a subsidiary, Jacks International Limited, a company incorporated in Singapore for a sale consideration of SGD15,860,000 (RM48,724,000) which was completed on 6 October 2015.

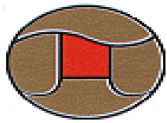
The comparative loss from discontinued operations have been restated to include the results of Jacks International Limited.

The results of the discontinued operations are set out below.

	31 July 2016 RM'000	31 July 2015 RM'000
<b>Revenue</b>	-	19,921
Cost of sales	-	(7,789)
<b>Gross profit</b>	-	12,132
<b>Other items of income</b>		
Other income	-	699
<b>Other items of expenses</b>		
Marketing and distribution costs	-	(9,932)
Administration expenses	-	(2,780)
Other operating expenses	-	-
Finance costs	-	(187)
<b>Loss before taxation</b>	-	(68)
Income tax expense	-	(89)
<b>Loss for the period</b>	-	(157)
Gain on disposal of subsidiaries	-	-
<b>Loss for the year from discontinued operations</b>	-	(157)

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

	31 July 2016 RM'000	31 July 2015 RM'000
Interest expense on bank borrowings	-	(187)
Employee benefits expense	-	(43)

**JOHAN HOLDINGS BERHAD**(Company No. 314-K)  
(Incorporated in Malaysia)**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K9 Status of Corporate Proposal Announced**

There were no outstanding corporate proposal for the financial quarter.

**K10 Borrowings and Debt Securities**

	<b>Unaudited As at 31 July 2016 RM'000</b>	<b>Audited As at 31 January 2016 RM'000</b>
<b>a) Short term borrowings</b>		
<b>Secured</b>		
- Bank overdrafts	45,607	39,352
- Revolving credits & short term loans	7,234	17,116
- Trust receipts and bankers' acceptance	21,919	21,432
- Term loans	13,511	11,586
- Hire purchase and lease creditors	2,737	3,248
	<b>91,008</b>	<b>92,734</b>
<b>Unsecured</b>		
- Revolving credits and short-term loans	-	5,240
	<b>91,008</b>	<b>97,974</b>
<b>b) Long term borrowings</b>		
<b>Secured</b>		
- Term Loans	16,748	16,516
- Hire purchase and lease creditors	2,816	2,820
	<b>19,564</b>	<b>19,336</b>

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

	<b>RM'000</b>	<b>RM'000</b>
Denominated in Singapore Dollar	67,439	62,930

**K11 Off Balance Sheet Financial Instruments**

The Group does not have any financial instrument with off balance sheet risk as at 22 September 2016.

**K12 Changes in Material Litigation**

A wholly-owned subsidiary, Johan Properties Sdn Bhd ("JPSB") had on 25 July 1996 filed a suit against five (5) Defendants for wrongful repudiation or breach of a contract in relation to a land held under Lot 289, Section 57, Bandar Kuala Lumpur. JPSB's statement of claim was for (i) return of deposit sum of RM1,700,000; (ii) special damages amounting to RM4,300,000 (iii) general damages; and (iv) interest and costs.

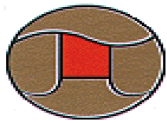
On 3 May 2016 the Federal Court refused the Defendants' application for leave to appeal, citing no merits in the application. Costs of RM20,000 was awarded to JPSB. With this decision, the litigation concludes.

As at 31 July 2016, the judgement sum, special damages, costs and accrued interest to date to be recovered from the Defendants is approximately RM13 million.

JPSB had on 29 August 2016 registered a Prohibitory Order on the land held under Lot 289 with the Land Office. JPSB is in the midst of filing a writ of seizure and sale of Lot 289 for recovery of the outstanding amount due by the Defendants.

**K13 Dividend**

The Board does not recommend any dividend for the financial quarter ended 31 July 2016 (31 July 2015: Nil).

**JOHAN HOLDINGS BERHAD**(Company No. 314-K)  
(Incorporated in Malaysia)**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K14 Earnings/(Loss) per Share****Basic & diluted**

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

Diluted loss per share is the same as basic loss per share.

	Current Quarter 3 months ended 31 July		Cumulative 6 months ended 31 July	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Loss for the period attributable to ordinary equity holders of the Company				
- Continuing operations	(10,521)	(12,276)	(16,278)	(16,394)
- Discontinued operations	-	(314)	-	(157)
	<u>(10,521)</u>	<u>(12,590)</u>	<u>(16,278)</u>	<u>(16,551)</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 (sen)				
- Continuing operations	(1.69)	(1.97)	(2.61)	(2.63)
- Discontinued operations	-	(0.05)	-	(0.03)
	<u>(1.69)</u>	<u>(2.02)</u>	<u>(2.61)</u>	<u>(2.66)</u>

**K15 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 2016 RM'000	As at 31 January 2016 RM'000
Total accumulated (losses)/profit of Johan Holdings Berhad and its subsidiaries :		
- Realised	(654,684)	(642,979)
- Unrealised	<u>112,373</u>	<u>116,996</u>
	<u>(542,311)</u>	<u>(525,983)</u>
Consolidation adjustments	<u>288,100</u>	<u>288,050</u>
Accumulated losses as per consolidated accounts	<u>(254,211)</u>	<u>(237,933)</u>

**K16 Limited Review by External Auditors**

The Company's external auditors, Deloitte, had conducted a limited review of this interim financial report as required by Bursa Malaysia vide its letter dated 27 April 2016.

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

Group Secretary

Kuala Lumpur

22 September 2016