



JOHAN HOLDINGS BERHAD

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

INTERIM FINANCIAL STATEMENTS

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2022

	Note	Current Quarter 3 months ended 30 April		Cumulative 9 months ended 30 April	
		2022 RM'000	2021 RM'000 (*)	2022 RM'000	2021 RM'000 (*)
Continuing operations					
Revenue	K1	5,645	N/A	8,437	N/A
Cost of sales		(5,749)	N/A	(7,259)	N/A
Gross (loss)/profit		(104)	N/A	1,178	N/A
Other income		1,626	N/A	4,972	N/A
Net foreign exchange (loss)/gain		(323)	N/A	1,950	N/A
Net fair value loss on investment securities	M5	(590)	N/A	(2,359)	N/A
Marketing and distribution expenses		(60)	N/A	(138)	N/A
Administrative expenses		(2,703)	N/A	(9,193)	N/A
Other operating expenses		(644)	N/A	(1,575)	N/A
Loss before interest, tax, depreciation and amortisation		(2,798)	N/A	(5,165)	N/A
Depreciation and amortisation		(710)	N/A	(2,313)	N/A
Finance costs		(20)	N/A	(76)	N/A
Loss before tax	K1/K6	(3,528)	N/A	(7,554)	N/A
Income tax expense	K7	(19)	N/A	(32)	N/A
Loss for the period		(3,547)	N/A	(7,586)	N/A
Other comprehensive income:					
Foreign currency translation gain/(loss)		284	N/A	(3,268)	N/A
Total comprehensive loss for the period		(3,263)	N/A	(10,854)	N/A
Loss for the period attributable to :					
Owners of the Company		(2,574)	N/A	(4,982)	N/A
Non-controlling interests		(973)	N/A	(2,604)	N/A
		(3,547)	N/A	(7,586)	N/A
Total comprehensive loss attributable to:-					
Owners of the Company		(2,290)	N/A	(8,250)	N/A
Non-controlling interests		(973)	N/A	(2,604)	N/A
		(3,263)	N/A	(10,854)	N/A
(Loss)/Earning per share attributable to owners of the Company:					
Basic & diluted earning/(loss) per share for the period (sen)	K14	(0.22)	N/A	(0.43)	N/A

* The financial year end of the Group has been changed from 31 January to 31 July. As such, there will be no comparative financial information available for the financial period ended 30 April 2022.

(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 period ended 31 July 2021 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 30 April 2022 RM'000	Audited As at 31 July 2021 RM'000
Non-current assets			
Property, plant and equipment		141,080	83,449
Investment Properties		40,450	40,450
Inventories-Non current		30	30
Intangible assets		33	72
Other receivable		26,948	39,757
Total non-current assets		<u>208,541</u>	<u>163,758</u>
Current assets			
Inventories		10,873	32
Receivables		26,815	4,891
Tax recoverable		359	280
Investment securities		14,153	16,512
Cash and bank balances		55,929	117,496
Total current assets		<u>108,129</u>	<u>139,211</u>
Total assets		<u><u>316,670</u></u>	<u><u>302,969</u></u>
Share capital	M7	413,672	413,672
Reserves			
Warrant reserve		15,963	15,963
Exchange reserve		(4,264)	(996)
Revaluation reserve		18,437	18,437
Accumulated losses		(212,219)	(207,237)
Attributable to equity holders of the parent		<u>231,589</u>	<u>239,839</u>
Non-controlling interests		23,580	6,184
Total equity		<u>255,169</u>	<u>246,023</u>
Non-current liabilities			
Lease liabilities	K10	2,052	2,272
Deferred tax liabilities		21,200	21,263
Total non-current liabilities		<u>23,252</u>	<u>23,535</u>
Current liabilities			
Payables		37,708	32,812
Tax payable		-	1
Lease liabilities	K10	541	598
Total current liabilities		<u>38,249</u>	<u>33,411</u>
Total liabilities		<u>61,501</u>	<u>56,946</u>
Total equity and liabilities		<u><u>316,670</u></u>	<u><u>302,969</u></u>
Net assets per share (sen)		<u>21.85</u>	<u>21.06</u>

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the period ended 31 July 2021 and the accompanying explanatory notes attached to the interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2022**

	←————— Attributable to owners of the Company —————→								
	←————— Non-distributable reserves —————→								
	Share capital RM'000	Warrant RM'000	Exchange reserve RM'000	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 RM'000	
Balance as at 1 August 2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Total comprehensive gain/(loss) for the period	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Balance as at 30 April 2021 *	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Balance as at 1 August 2021	413,672	15,963	(996)	18,437	(207,237)	239,839	6,184	246,023	
Total comprehensive gain/(loss) for the period	-	-	(3,268)	-	(4,982)	(8,250)	(2,604)	(10,854)	
Transactions with owners:									
Non-controlling interests arising from investment in a subsidiary	-	-	-	-	-	-	20,000	20,000	
Balance as at 30 April 2022	413,672	15,963	(4,264)	18,437	(212,219)	231,589	23,580	255,169	

* The financial year end of the Group has been changed from 31 January to 31 July. As such, there will be no comparative financial information available for the financial period ended 30 April 2022.

(The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 July 2021 and the accompanying explanatory notes attached to the interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE
FINANCIAL PERIOD ENDED 30 APRIL 2022**

	Cumulative 9 months ended 30 April	
	2022 RM'000	2021 RM'000 (*)
Cash flows from/(used in) operating activities		
Loss before tax	(7,554)	N/A
Adjustments for non-cash and non-operating items:		
- Non-cash items	2,075	N/A
- Investing and financing items	(719)	N/A
Operating cash flows before working capital changes	<u>(6,198)</u>	<u>N/A</u>
Changes in working capital:		
- Changes in current assets	(20,203)	N/A
- Changes in current liabilities	5,088	N/A
Tax paid	(92)	N/A
Net cash flows used in operating activities	<u>(21,405)</u>	<u>N/A</u>
Cash flows from/(used in) investing activities		
Interest received	795	N/A
Purchase of intangible assets	(36)	N/A
Purchase of property, plant and equipment	(60,533)	N/A
Net cash used in investing activities	<u>(59,774)</u>	<u>N/A</u>
Cash flows from/(used in) financing activities		
Payment of lease liabilities	(430)	N/A
Subscription of shares by non-controlling interest in a subsidiary	20,000	N/A
Net cash from financing activities	<u>19,570</u>	<u>N/A</u>
Net decrease in cash and cash equivalents	(61,609)	N/A
Effects of foreign exchange rate changes	42	N/A
Cash and cash equivalents at beginning of period	117,346	N/A
Cash and cash equivalents at end of period	<u>55,779</u>	<u>N/A</u>
Analysis of cash and cash equivalents:		
Cash and bank balances	55,929	N/A
Pledged deposit with licensed financial institutions	(150)	N/A
	<u>55,779</u>	<u>N/A</u>

Reconciliation of liabilities arising from financing activities:

	Carrying amount As at 01.08.2021 RM'000	Cash flows RM'000	Others RM'000	Carrying amount As at 30.04.2022 RM'000
Lease Liabilities	2,870	(430)	153	2,593

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(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the period ended 31 July 2021 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 period ended 31 July 2021 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 period ended 31 July 2021.

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 period ended 31 July 2021 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 2021. 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 period ended 31 July 2021 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

Included in investment securities as of 31 July 2021 was investment in the quoted shares of George Kent (Malaysia) Berhad of RM16.512 million, measured at the market value of RM0.70 per share. As of 30 April 2022, the market value of the said investment has dropped to RM0.60 per share, resulting in a fair value loss of RM2.359 million.

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		
	2022	2021	2022	2021	Malaysia		Singapore		Malaysia		Singapore		2022	2021	2022	2021	2022	2021	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
9 months ended 30 April	(*)		(*)		(*)		(*)		(*)		(*)		(*)		(*)		(*)		
Revenue:																			
External customers	4,574	N/A	-	N/A	2,934	N/A	-	N/A	511	N/A	-	N/A	418	N/A	-	N/A	8,437	N/A	
Inter-segment	-	N/A	-	N/A	-	N/A	-	N/A	159	N/A	-	N/A	-	N/A	(159)	N/A	-	N/A	
Total revenue	4,574	N/A	-	N/A	2,934	N/A	-	N/A	670	N/A	-	N/A	418	N/A	(159)	N/A	8,437	N/A	

Results :

Interest income	-	N/A	3	N/A	-	N/A	-	N/A	756	N/A	-	N/A	56	N/A	(20)	N/A	795	N/A
Depreciation and amortisation	-	N/A	-	N/A	1,696	N/A	25	N/A	443	N/A	-	N/A	149	N/A	-	N/A	2,313	N/A
Finance costs	-	N/A	-	N/A	-	N/A	-	N/A	96	N/A	-	N/A	-	N/A	(20)	N/A	76	N/A
Earnings/(loss) before interest, tax, depreciation and amortisation	166	N/A	(133)	N/A	495	N/A	(43)	N/A	1,626	N/A	(15)	N/A	(5,504)	N/A	(1,757)	N/A	(5,165)	N/A
Segment profit / (loss)	166	N/A	(133)	N/A	(1,201)	N/A	(68)	N/A	1,087	N/A	(15)	N/A	(5,653)	N/A	(1,737)	N/A	(7,554)	N/A

	General Trading		Property		Hospitality and card services				Investment holding & secretarial services				Healthcare		Elimination		Total		
	2022	2021	2022	2021	Malaysia		Singapore		Malaysia		Singapore		2022	2021	2022	2021	2022	2021	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
9 months ended 30 April																			
Assets :																			
Additions to non-current assets	-	N/A	-	N/A	52	N/A	-	N/A	2	N/A	-	N/A	60,515	N/A	-	N/A	60,569	N/A	
Segment assets	4,085	N/A	21,549	N/A	80,538	N/A	132	N/A	128,411	N/A	173	N/A	81,777	N/A	5	N/A	316,670	N/A	
Segment liabilities	3,847	N/A	5,450	N/A	11,167	N/A	296	N/A	3,015	N/A	5,925	N/A	28,061	N/A	3,740	N/A	61,501	N/A	

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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 30 April 2022 RM'000
Approved and contracted for	669,223

M14 Related Party Transactions

	Current Quarter 3 months ended 30 April		Cumulative 9 months ended 30 April	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
		(*)		(*)
Transactions with corporations in which three Directors are also directors and/or deemed interested				
Design and Build - Dipping line glove plant	27,791	N/A	27,791	N/A
Recovery of secretarial and share registration fees	11	N/A	34	N/A
	11	N/A	34	N/A

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 financial year end of the Group has been changed from 31 January to 31 July. As such, there will be no comparative financial information available for the financial period ended 30 April 2022.*

**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 RM5.645 million from trading, hotel and its first registered sales of gloves.
- b) The Group recorded a loss before tax of RM3.528 million in current quarter, mainly due to:-
 - i) Investment holding & secretarial services segment loss of RM1.425 million mainly due to fair value loss on investment securities of RM590,000 and foreign exchange loss of RM323,000.
 - ii) Healthcare segment loss of RM2.230 million mainly due to start up expenses and lower average selling prices of gloves.

The loss attributable to shareholders for the current quarter was RM2.574 million.

K2 Variation of Results Against Preceding Quarter

	Current Quarter 3 months ended		Changes (Amount/%)
	30.04.2022 RM'000	31.01.2022 RM'000	
Revenue from continuing operations	5,645	1,934	191.88%
Loss before tax from continuing operations	(3,528)	(5,092)	30.71%
Loss after tax	(3,547)	(5,098)	30.42%
Loss for the period attributable to owners of the Company	<u>(2,574)</u>	<u>(4,237)</u>	<u>39.25%</u>

Total revenue for the current financial quarter was RM5.645 million compared to preceding quarter's of RM1.934 million. The Group recorded a lower loss after tax of RM3.547 million compared to preceding quarter loss of RM5.098 mainly due to lower foreign exchange loss of RM323,000 in current quarter compared to preceding quarter foreign exchange loss of RM1.212 million.

K3 Prospects

Dynacare Sdn Bhd's ("Dynacare") first double-former dipping line was operational in November 2021, with further 5 lines to be ready by July 2022, making a total of 6 dipping lines. Dynacare is expected to incur operating loss due to testing and commissioning in the early months.

Dynacare's flagship house-brand of nitrile gloves, 'ESGloves', has been launched in Malaysia and selected countries within the ASEAN region. The name 'ESGloves' symbolises Dynacare's commitment towards delivering high quality gloves in the most ethical, responsible and environmentally sustainable manner. Dynacare has on 30 November 2021 obtained certification from the Malaysia Medical Device Authority. Certification from European Union and United States is in progress and expected to be obtained by 3rd quarter 2022.

Despite the near-term challenges, the Company remains optimistic of the long-term prospects of the glove sector. The global glove demand will remain on a growth path due to the structural shift in glove usage triggered by the pandemic, resulting regulatory and healthcare requirements which will see glove demand at higher level.

The Company will continue to focus on securing new and recurring sales orders to improve the utilisation rates of the production lines and place greater emphasis on cost management and operational efficiencies.



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

K4 Disclosure of Covid-19 related impacts

The outbreak of the COVID-19 has brought unprecedented challenges and added economic uncertainties in Malaysia and markets in which the Group operates. The Group and the Company have accounted for the possible impacts of COVID-19 pandemic in their application of significant judgements and estimates in determining the amounts recognised in the financial statements for the financial period ended 30 April 2022.

K5 Profit Forecast

No profit forecast was issued by the Group.

K6 Profit Before Tax

	Current Quarter 3 months ended 30 April		Cumulative 9 months ended 30 April	
	2022 RM'000	2021 RM'000 (*)	2022 RM'000	2021 RM'000 (*)
Profit before tax is arrived at after crediting/(charging) :				
a) Interest income	191	N/A	795	N/A
b) Other income	429	N/A	1,704	N/A
c) Bad debts recovered	1,006	N/A	2,473	N/A
d) Interest expense	(20)	N/A	(76)	N/A
e) Depreciation and amortisation	(710)	N/A	(2,313)	N/A
f) Net foreign exchange loss	(323)	N/A	1,950	N/A

* The financial year end of the Group has been changed from 31 January to 31 July. As such, there will be no comparative financial information available for the financial period ended 30 April 2022.

K7 Income Tax Expense

	Current Quarter 3 months ended 30 April		Cumulative 9 months ended 30 April	
	2022 RM'000	2021 RM'000 (*)	2022 RM'000	2021 RM'000 (*)
Tax (expense)/credit based on results for continuing operations: -				
Current				
- Malaysian tax	(19)	N/A	(32)	N/A

The tax expense for the nine months ended 30 April 2022 is mainly due to certain non-tax deductible expenses.

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K8 Status of Corporate Proposals Announced

a) Proposed Private Placement of New Johan Holdings Berhad ("Johan") Shares.

The balance sum of RM5.651 million from the cash proceeds of approximately RM9.811 million was fully utilised as at 30 April 2022 for investment in Dynacare Sdn Bhd's glove manufacturing plant in Lumut.



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

K8 Status of Corporate Proposals Announced (Cont'd)

b) Proposed Acquisition, Proposed Diversification, Proposed Rights Issue with Warrants, Proposed Offer To Subscribe and Proposed Right To Execute the Works.

The Rights Issue of new 389,342,813 new Johan shares with free Warrants, issued at a price of RM0.10 per share, raising RM38,934,281.30 was completed on 28 July 2021.

Utilisation of the cash proceeds of approximately RM 38.934 million were as follows:-

Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance Unutilised (RM'000)
Funding for Gloves Business	37,434	2,368	35,066
Estimate expenses of the Corporate Exercises	1,500	1,500	-
Total	<u>38,934</u>	<u>3,868</u>	<u>35,066</u>

K9 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 30 April 2022 RM'000	As at 31 July 2021 RM'000
Not past due	3,995	14
Past due 30 days	8	5
Past due 31-90 days	6	32
Past due more than 90 days	37	61
	<u>4,046</u>	<u>112</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 30 April 2022 RM'000	As at 31 July 2021 RM'000
Trade receivables - gross amounts	68,792	67,243
Less: Allowance for doubtful debts	(64,746)	(67,131)
	<u>4,046</u>	<u>112</u>

K10 Borrowings and Debt Securities

	As at 30 April 2022 RM'000	As at 31 July 2021 RM'000
a) Short term borrowings Secured		
- Lease creditors	<u>541</u>	<u>598</u>
b) Long term borrowings Secured		
- Lease creditors	<u>2,052</u>	<u>2,272</u>

**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K11 Off Balance Sheet Financial Instruments**

The Group does not have any financial instrument with off balance sheet risk as at 22 June 2022.

K12 Changes in Material Litigation

There were no material litigation for the financial period.

K13 Dividend

The Board does not recommend any dividend for the financial quarter ended 30 April 2022 (30 April 2021: Nil).

K14 (Loss)/Earning per Share**Basic & diluted**

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

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

	Current Quarter 3 months ended 30 April		Cumulative 9 months ended 30 April	
	2022 RM'000	2021 RM'000 (*)	2022 RM'000	2021 RM'000 (*)
(Loss)/Profit for the period attributable to ordinary equity holders of the Company	(2,574)	N/A	(4,982)	N/A
Weighted average number of ordinary shares ('000) in issue	1,168,028	N/A	1,168,028	N/A
Basic & diluted (loss)/earning per share (sen)	(0.22)	N/A	(0.43)	N/A

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

Group Secretary
Kuala Lumpur
23 June 2022