

Johan Holdings Berhad

ANNUAL REPORT
for the financial year ended 31 July 2025

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Corporate Profile

The Johan Group today is a Malaysian grown group with diversified operations. Johan Group's current principal activities include the manufacture, sale and distribution of gloves, general trading, property investment, resorts and hotel operation.

Johan is listed on the Main Market of Bursa Malaysia Securities Berhad.

GROUP CORPORATE DIRECTORY

PRINCIPAL COMPANIES

Johan Holdings Berhad

11th Floor, Wisma E&C
No. 2, Lorong Dungun Kiri
Damansara Heights
50490 Kuala Lumpur
Tel : 603 2092 1858
Fax : 603 2092 2812
Website : www.johanholdings.com

The Orient Star Resort, Lumut

(owned by Lumut Park Resort Sdn Bhd)

Lot 203 & 366 Jalan Iskandar Shah
32200 Lumut
Perak Darul Ridzuan
Tel : 605 683 3800
Fax : 605 683 8088
Website : www.orientstar.com.my

Diners Club (Malaysia) Sdn Bhd

Suite 21-02, Level 21
Menara Tan & Tan
207 Jalan Tun Razak
50400 Kuala Lumpur
Tel : 603 2161 1322
Fax : 603 2161 1518

Diners World Travel (Malaysia) Sdn Bhd

Suite 21-02, Level 21
Menara Tan & Tan
207 Jalan Tun Razak
50400 Kuala Lumpur
Tel : 603 2161 1322
Fax : 603 2161 1518

Dynacare Sdn Bhd

Lot 15528 (PT 5001)
Kawasan Perusahaan Kampung Aceh
32000 Sitiawan
Perak Darul Ridzuan
Tel : 603 2092 1858
Fax : 603 2092 2812
Email : enquiry@dynacare.com.my
Website : www.dynacare.com.my

William Jacks & Company (Malaysia) Sendirian Berhad

11th Floor, Wisma E&C
No. 2, Lorong Dungun Kiri
Damansara Heights
50490 Kuala Lumpur
Tel : 603 2092 1858
Fax : 603 2092 2812

CORPORATE INFORMATION

BOARD OF DIRECTORS

TAN SRI DATO' TAN KAY HOCK

Chairman & Chief Executive

PUAN SRI DATIN TAN SWEE BEE

Group Managing Director

DATO' AHMAD KHAIRUMMUZAMMIL BIN MOHD YUSOFF

Non-Independent Non-Executive Director

TAN POH MENG

Independent Non-Executive Director

MAHATHIR BIN MAHZAN

Independent Non-Executive Director

AUDIT COMMITTEE

Mahathir Bin Mahzan (*Chairman*)
Dato' Ahmad Khairummuzammil
Bin Mohd Yusoff
Tan Poh Meng

COMPANY SECRETARY

Teh Yong Fah
SSM PC No.: 201908003410
MACS 00400

BUSINESS OFFICE

11th Floor, Wisma E&C
No. 2, Lorong Dungun Kiri
Damansara Heights
50490 Kuala Lumpur
Tel : 603-2092 1858
Fax : 603-2092 2812
E-mail : jhb@johanholdings.com.my
Website : www.johanholdings.com

REMUNERATION COMMITTEE

Puan Sri Datin Tan Swee Bee
(*Chairperson*)
Dato' Ahmad Khairummuzammil
Bin Mohd Yusoff
Tan Poh Meng

AUDITORS

Baker Tilly Monteiro Heng PLT
Chartered Accountants

GROUP PRINCIPAL BANKERS

(*in alphabetical order*)

Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
Public Bank Berhad

NOMINATING COMMITTEE

Tan Poh Meng (*Chairman*)
Dato' Ahmad Khairummuzammil
Bin Mohd Yusoff
Mahathir Bin Mahzan

SHARE REGISTRAR

Johan Management Services Sdn. Bhd.
11th Floor, Wisma E&C
No. 2, Lorong Dungun Kiri
Damansara Heights
50490 Kuala Lumpur
Tel : 603-2092 1858
Fax : 603-2092 2812
E-mail : johanms1@outlook.com

STOCK EXCHANGE LISTING

Main Market, Bursa Malaysia
Securities Berhad
Stock Name : JOHAN
Stock Code : 3441
Sector : Financial Services

RISK MANAGEMENT COMMITTEE

Tan Sri Dato' Tan Kay Hock (*Chairman*)
Puan Sri Datin Tan Swee Bee
Sia Chin Yap
Lee Teck Siong

REGISTERED OFFICE

11th Floor, Wisma E&C
No. 2, Lorong Dungun Kiri
Damansara Heights
50490 Kuala Lumpur
Tel : 603-2092 1858
Fax : 603-2092 2812
Email : cosec@johanholdings.com.my

CORPORATE WEBSITE

www.johanholdings.com

CHAIRMAN'S MANAGEMENT DISCUSSION & ANALYSIS

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*On behalf of
your Board of
Directors, it is
my pleasure
to present to
shareholders, the
Annual Report of
Johan Holdings
Berhad for the
financial year
ended 31 July
2025 ("FY2025").*

”

THE MALAYSIAN ECONOMY IN 2024 AND 2025

Malaysia's economy grew by 5.1% in 2024 (2023: 3.6%), due to continued expansion in domestic demand and a recovering external sector, particularly in electrical and electronics (E&E) and tourism. On the domestic front, growth was mainly driven by stronger household spending reflecting favourable labour market conditions, policy measures like the upward revision of minimum wages to RM1,700 and civil servant salaries. The services sector benefitted from strong performances in transport, finance, real estate and consumer-related services. The manufacturing sector continued its expansion, particularly in the E&E segment. In addition, strong investment approvals and further progress of multi-year projects by the private and public sectors, which includes catalytic initiatives under the New Industrial Master Plan, National Energy Transition Roadmap and National Semiconductor Strategy provided further impetus to investment growth.

Since Bank Negara Malaysia's announcement of Malaysia's 2025 GDP growth forecast in March 2025, the global economic landscape has changed significantly. The global growth outlook is affected by shifting trade policies and uncertainties surrounding tariff developments, as well as geopolitical tensions. As a small open economy, Malaysia's growth prospects will be shaped by these developments, and is to its advantage to face these external headwinds from a position of strength. The latest indicators, including advanced estimates for the second quarter growth, continue to point towards sustained strength in economic activity. Domestic demand has been resilient and will continue to support growth going forward. Favourable labour market conditions, particularly in domestic-oriented sectors and policy measures, will continue to underpin private consumption.

The Malaysian economy remains on a strong footing and is projected to expand between 4% and 4.8% in 2025. The updated growth projections account for various tariff scenarios, ranging from a continued elevation of tariffs to more favourable trade negotiation outcomes. This forecast remains subject to uncertainties surrounding the global economy, both on the downside and upside. Favourable trade negotiation outcome, pro-growth policies in major economies, continued demand for E&E goods and robust tourism activity could raise Malaysia's export and growth prospects.

REVIEW OF GROUP FINANCIAL RESULTS

In FY2025, Group revenue totalled RM26.378 million up 16.7% from RM22.609 million in FY2024. This growth was contributed by business segments under General Trading (RM12.657 million), Hospitality (RM5.720 million), Healthcare (RM7.429 million) and Investment Holding & Secretarial Services (RM0.572 million).

CHAIRMAN'S MANAGEMENT DISCUSSION & ANALYSIS

cont'd

Your Group registered a turnaround with profit after tax of RM1.296 million against loss after tax of RM24.281 million in FY2024. The improved results was mainly attributed to reversal of impairment of RM21.351 million provided for Plant, Machinery & Building of Dynacare Sdn Bhd in Q3FY2025.

HOSPITALITY & CARD SERVICES

In FY2025, the Orient Star Resort Lumut (ORSL) recorded marginally lower occupancy rate but higher average room rate resulting in higher revenue of RM5.723 million, up 2.51% when compared to RM5.583 million (FY2024). With increase in expenditure on manpower, maintenance and repairs, OSRL recorded EBITDA of RM199K. However after accounting for annual depreciation and amortization of RM1.558 million, OSRL record a loss of RM1.359 million.



On the positive side, under Card Services, Diners Club Malaysia Sdn Bhd registered a profit of RM1.651 million generated from debt collection income.

OSRL continued with capital expenditure to upgrade facilities of the hotel, including installation of one new passenger lift and new Hotel Operating System among others. In addition, major repairs and maintenance expenses were incurred for replacement of furnishing, including roof top painting and replacement of new roof gutters, replacement parts for existing lifts, etc.

In the spirit of Ramadhan, ORSL hosted a special iftar gathering with orphans, sharing the joy of breaking fast together. As part of the celebration, duit raya were presented to the children as a gesture of care and festivity. Continuing with our annual tradition, bubur lambuk, a traditional porridge, were also distributed to neighbourhood commuters, fostering goodwill and community spirit during the holy month.

HEALTHCARE

Dynacare Sdn Bhd, in FY2025 registered a profit before tax of RM10.671 million, due to reversal of impairment loss on its Plant & Machineries of RM21.351 million in Q32025, following a valuation of its Land, Building including Plant & Machineries to RM193.5 million in March 2025.

Throughout 2024 & 2025, Malaysian rubber glove manufacturers have continued to face significant challenges in maintaining price competitiveness, largely due to mounting pressure from overseas competitors—most notably, Chinese manufacturers. While the global glove market has shown signs of stabilization, with demand gradually recovering compared to the past three years, average selling prices (ASPs) worldwide remain unstable and subject to sharp fluctuations. This volatility is primarily influenced by the imposition of new tariffs by the US government, which has reshaped global trade flows and prompted shifts in strategic focus among major glove-producing nations.

Chinese manufacturers, who are subject to the highest tariff rates in the US market, have responded with aggressive pricing strategies in non-US regions to preserve sales volumes consistent with their expanded production capacities. Consequently, this has exerted downward pressure on ASPs in those markets and intensified global competition. These dynamics, coupled with rising production costs, have continued to pose challenges to the company's profitability and operational efficiency.

CHAIRMAN'S MANAGEMENT DISCUSSION & ANALYSIS

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Despite these headwinds, Dynacare has recorded a modest improvement in ASPs during FY2025, primarily driven by concerted efforts to secure orders from customers willing to commit to higher price levels due to better quality of our gloves. Moving forward, the Company remains steadfast in pursuing strategies that enhance global market reach and competitiveness, with a particular focus on strengthening its presence in the United States and other high-value markets.

GENERAL TRADING

In FY2025, General Trading segment experienced an increase in revenue, which rose by 33% compared to FY2024. This growth was primarily driven by two key factors:

- **Customer Re-stocking:** A significant contribution to the revenue increase came from existing customers who re-stocked their inventory.
- **Sales to New Customers:** In addition to re-stocking activity, the company successfully expanded its customer base, with sales to new customers contributing to the overall revenue growth.

Looking forward, Management remains focused on maintaining its growth trajectory through continued customer acquisition and retention strategies, alongside efforts to optimize supply chain operations.

DIVIDEND

Your Board does not propose to declare any dividend for the financial year under review.

PROSPECTS AND OUTLOOK

The Gloves sector is expected to gradually stabilise as demand normalises and excess capacity is absorbed by the market. Despite current cost pressure and tariff challenges, the long-term fundamentals of the industry remain resilient, underpinned by consistent global healthcare needs. Dynacare remains positive on the sector's outlook and is well positioned to benefit as market conditions improve.

The Resort hotel continues to improve its facilities to meet with guests' expectations and to carry out sales & marketing activities to expand its market reach. The Management expects that these efforts will contribute positively to its performance.

The construction sector in Malaysia is poised for moderate growth, driven by ongoing infrastructure projects and urban development. With government initiatives supporting construction and affordable housing, there's positive growth potential. However, rising raw material costs and global economic conditions pose risks. The General Trading Segment remains cautiously optimistic of its outlook.

ACKNOWLEDGEMENT

On behalf of your Board, I wish to thank our management team and employees, who have demonstrated resilience and commitment during these challenging times for our Group. We also thank our customers, suppliers, shareholders and other stakeholders for their valuable support and look forward to your continued support.

TAN SRI DATO' TAN KAY HOCK

Chairman

Dated : 18 November 2025

SUSTAINABILITY STATEMENT

Building on the progress made, Johan Holdings Berhad (“JHB”) continues to actively integrate Economic, Environmental, Social, and Governance (“EESG”) considerations across its operations. We are striving to deliver consistent improvements and establish a more compliant, sustainable, and resilient business, contributing to a sustainable future.

ABOUT THIS STATEMENT

This Sustainability Statement outlines the measures and initiatives we have implemented to manage material sustainability matters across the Group. The report also presents information about sustainability-related material impacts, risks, and opportunities.

Scope and Boundary

This statement covers JHB operations and entities where we have management control or hold a controlling interest. Performance data are reported for the Group, unless noted otherwise.

Reporting Period

This Statement reports on our EESG activities and performance for the financial year from 1 August 2024 to 31 July 2025 (“FY2024/25”). We have included historical information from previous years to provide readers with a basis for comparison.

Reporting Cycle

Annually, aligned with JHB’s financial year.

Reporting Frameworks and Guidelines

Our sustainability statement is primarily guided by national standards and frameworks. To further enhance our report, we have notably referenced the IFRS S1 and S2 (which incorporate the TCFD recommendations) and to the list shown below:

Principal:

- Bursa Malaysia’s *Sustainability Reporting Guide (3rd Edition)*
- Malaysian Code on Corporate Governance 2021 (“MCCG”)
- National Sustainability Reporting Framework (“NSRF”)

References:

- International Financial Reporting Standards (“IFRS”) S1 & S2
- Global Reporting Initiative (“GRI”) Standards
- United Nations Sustainable Development Goals (“UN SDGs”)

Assurance Statement

The Group’s Internal Audit Department has reviewed this Sustainability Statement, in compliance with Practice Note 9 published by Bursa Malaysia Securities Berhad, to enhance the credibility of our reporting.

SUSTAINABILITY STATEMENT

cont'd

The indicators and scope covered by the Internal Audit Department's review were as follows:

Material Matter	Scope
Anti-corruption	i) Percentage of employees who have received training on anti-corruption by employee category ii) Percentage of operations assessed for anti-corruption related risk iii) Confirmed incidents of corruption and action taken
Community / Society	i) Total amount invested in the community ii) Total number of beneficiaries iii) Total number of employees who participated in community programmes
Diversity	i) Percentage of employees by gender and age group for each employee category ii) Percentage of directors by gender and age group
Health & Safety	i) Number of work-related fatalities ii) Lost time incident rate ("LTIR") iii) Number of employees trained on health and safety standards iv) Total hours worked v) Total number of lost time injuries
Labour Practices & Standard	i) Total hours of training by employee category ii) Percentage of employees that are contractors or temporary staff iii) Total number of employee turnover by employee category iv) Number of substantiated complaints concerning human rights violations v) Average training hours per employee vi) Total number of new hires and new hire rate vii) Total turnover rate
Supply Chain Management	Proportion of spending on local suppliers
Data Privacy & Security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data
Energy Management	Total energy consumption
Water Management	Total volume of water used
Waste Management	i) Total waste generated ii) Total waste diverted from disposal iii) Total waste directed to disposal
Emissions Management	i) Scope 1 emissions in tonnes of CO₂e ii) Scope 2 emissions in tonnes of CO₂e

The Internal Audit Department has reviewed the information and supporting documents, and confirmed that the reported data is accurate and consistent.

Connect with us:

We value feedback from our stakeholders. Please reach us at: jhb@johanholdings.com.my

SUSTAINABILITY STATEMENT

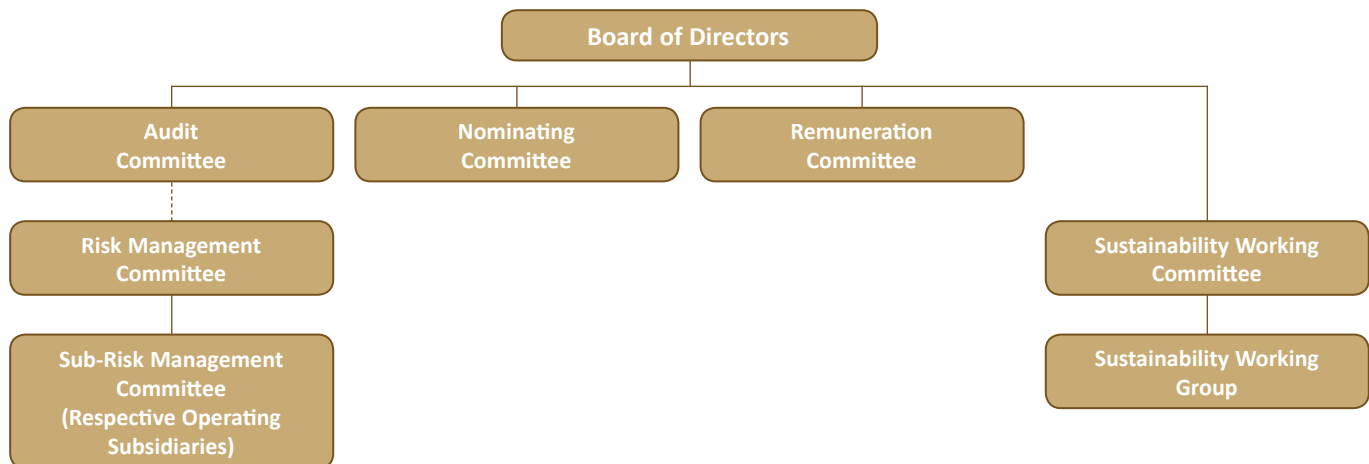
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APPROACH TO SUSTAINABILITY

Our sustainability efforts are anchored by our leadership commitment, supported by governance structures that oversee, implement, and monitor the Group's ESG practices. Whilst navigating a dynamic and challenging market environment, we remain focused on continuously engaging with our stakeholders, identifying material risks and opportunities, and applying a structured framework that drives ongoing improvement across our operations.

SUSTAINABILITY GOVERNANCE

Implementing a robust sustainability governance framework ensures that authority is exercised appropriately, supports effective and informed decision-making, and establishes clear accountability across our organisation.



Board of Directors ("BOD")

The Board, led by the Chief Executive Chairman is responsible for driving sustainability across the Group and maintaining direct oversight over all EESG material sustainability matters.

The Board integrates sustainability factors into the execution of its duties, including the development and implementation of the Group's strategies and business plans.

Scope of responsibilities:

- Oversees the conduct of assurance activities pertaining to the Group's sustainability reporting processes.
- Approves the sustainability strategy and targets, policies, the materiality assessment process and its outcome, and the sustainability statement.
- Supervises the management of material sustainability matters.
- Monitors the implementation of sustainability strategies and policies and performance against targets.

The Board is assisted by the Sustainability Working Committee ("SWC") in carrying out its sustainability responsibilities.

SUSTAINABILITY STATEMENT

cont'd

Audit Committee ("AC")

The AC is a Board Committee comprising solely of Non-Executive Directors with a majority being Independent Directors. The AC reviews the adequacy and integrity of the Group's internal control systems and processes, ensuring the integration of sustainability and climate-related risks and opportunities within the Risk Management Framework.

Nominating Committee ("NC")

The NC is a Board Committee comprised solely of Non-Executive Directors with a majority of Independent Directors. The NC ensures the Board has the necessary skills and expertise to make informed decisions on sustainability-related matters, including identifying and nominating candidates with relevant experience and expertise. The NC also evaluates the Board's performance annually, ensuring the Board is effectively addressing sustainability issues.

Remuneration Committee ("RC")

The RC is a Board Committee primarily responsible for reviewing the remuneration and performance of Directors and Senior Management, including evaluation against agreed sustainability-linked Key Performance Indicators ("KPIs").

Risk Management Committee ("RMC")

The RMC comprises Directors and senior management members appointed by the Board. Supported by sub-RMCs at the respective operating subsidiaries, the RMC identifies and reviews all material risks, including those related to sustainability, and ensures appropriate corrective actions are taken. The Committee places a particular focus on evaluating overall sustainability and climate-related risks and opportunities.

Sustainability Working Committee ("SWC")

The SWC comprises Key Senior Management from the Head Office and the Heads of the respective operating subsidiaries. The SWC reviews all sustainability commitments, including setting key initiatives and growth plans, which are subject to Board approval.

The SWC meets at least half-yearly to discuss relevant sustainability matters and issues. The meetings are typically chaired by the Head Office General Manager – Operation, who is the designated person within the SWC responsible for providing dedicated focus to strategic sustainability management, including the integration of sustainability considerations across the Group's operations.

Scope of responsibilities:

- Develops sustainability strategies and policies, and recommends revisions to the Board.
- Ensures the implementation of the sustainability strategy is aligned across the Group.
- Reviews the materiality assessment process and its outcome.
- Reviews the sustainability statement prior to Board approval.
- Recommends and develops sustainability-linked KPIs as part of the Board's and Senior Management's performance evaluation scorecards.

The SWC reports to the Chief Executive Chairman concerning sustainability matters that could affect the Group. Relevant matters that require the Board's deliberation and approval will be reported to the Board for deliberation and approval.

SUSTAINABILITY STATEMENT

cont'd

Sustainability Working Groups

Sustainability Working Groups are established at each operating unit, with membership comprising the Departmental Heads of the respective unit.

Scope of responsibilities:

- Consolidates sustainability report and data.
- Undertakes the materiality assessment process.
- Aligns practices on the ground with the organisation-wide sustainability agenda and strategy.
- Executes and monitors sustainability activities and performance against targets.

The respective Sustainability Working Groups report to the SWC twice yearly on relevant sustainability matters.

STAKEHOLDER ENGAGEMENT

Our proactive approach to stakeholder engagement involves maintaining open channels of communication with diverse stakeholder groups throughout the year. These regular interactions enable us to identify emerging risks and opportunities, measure our performance against evolving best practices, and clearly understand stakeholder expectations. In turn, this allows the Group to respond effectively to concerns and to strengthen long-term stakeholder trust and relationships. The following table outlines our engagement with key stakeholder groups and methods used to reinforce these relationships.

Stakeholder Groups	Concerns	Response and Communication Channels
 Investors / Shareholders	• Profitability and Growth • Communication	• Drive sustained business growth through prudent financial management and strategic investments • Ensure accurate, timely, consistent and fair disclosure of corporate and financial information • Facilitate direct engagement with shareholders through the Annual General Meeting ("AGM") and other investor relations activities
 Employees	• Career Development • Health and Safety • Human Rights	• Provide continuous employee training and upskilling programmes • Conduct regular performance reviews and ensure fair, transparent remuneration practices • Maintain a structured health and safety management system in line with regulatory requirements • Ensure compliance with Department of Occupational Safety and Health ("DOSH") standards • Monitor and enhance workplace health and safety measures through regular audits and inspections • Promote workplace diversity and inclusion, and uphold employee rights in line with the Material Matter of Diversity, Inclusion and Training
 Supply Chain	• Local Sourcing • Beneficial Relationships • Ethics and Transparency • Sustainable Sourcing	• Encourage local sourcing to support community businesses and reduce supply chain risks • Enforce the supplier code of conduct and ensure transparent procurement processes • Foster long-term, mutually beneficial relationships with key suppliers to ensure reliability and trust

SUSTAINABILITY STATEMENT

cont'd

Stakeholder Groups	Concerns	Response and Communication Channels
 Government	- Regulatory Compliance - National & Local Policy shifts - National Agenda	- Ensure timely renewal of licences and permits in accordance with regulatory requirements - Comply fully with applicable national and local regulations, policies and statutory requirements - Provide compliance training and awareness programmes for employees to strengthen governance culture - Engage with regulators and industry bodies to stay abreast of policy shifts and support alignment with the national agenda
 Community	- Community Relationships - Philanthropic Activities - Human Rights Protection - Observing religious and traditional activities - International Reputation	- Support local communities through philanthropic contributions, volunteerism and capacity-building initiatives - Respect human rights by engaging with communities transparently and addressing concerns that may arise from business operations - Respect and observe local religious and cultural practices in the communities where we operate - Keep abreast of international best practices
 Customers	- Product Quality - Data Privacy and Security - Responsible Representation	- Maintain and continually improve product and service quality through adherence to industry standards and certifications - Safeguard customer data through strict privacy controls, cybersecurity measures and compliance with data protection regulations - Ensure responsible marketing and representation in line with industry codes and advertising standards - Engage customers through feedback channels to enhance satisfaction and strengthen long-term relationships

MATERIAL MATTERS

Sustainable development requires adopting sound principles and practices. Recognising our role in shaping a more resilient future, the Group assesses EESG matters relevant to our operations. We conducted a comprehensive reassessment this year of the sustainability matters most significant to the Group and its stakeholders, allowing us to effectively direct resources and develop innovative solutions for these priorities. Our materiality assessment process is structured around the following stages:

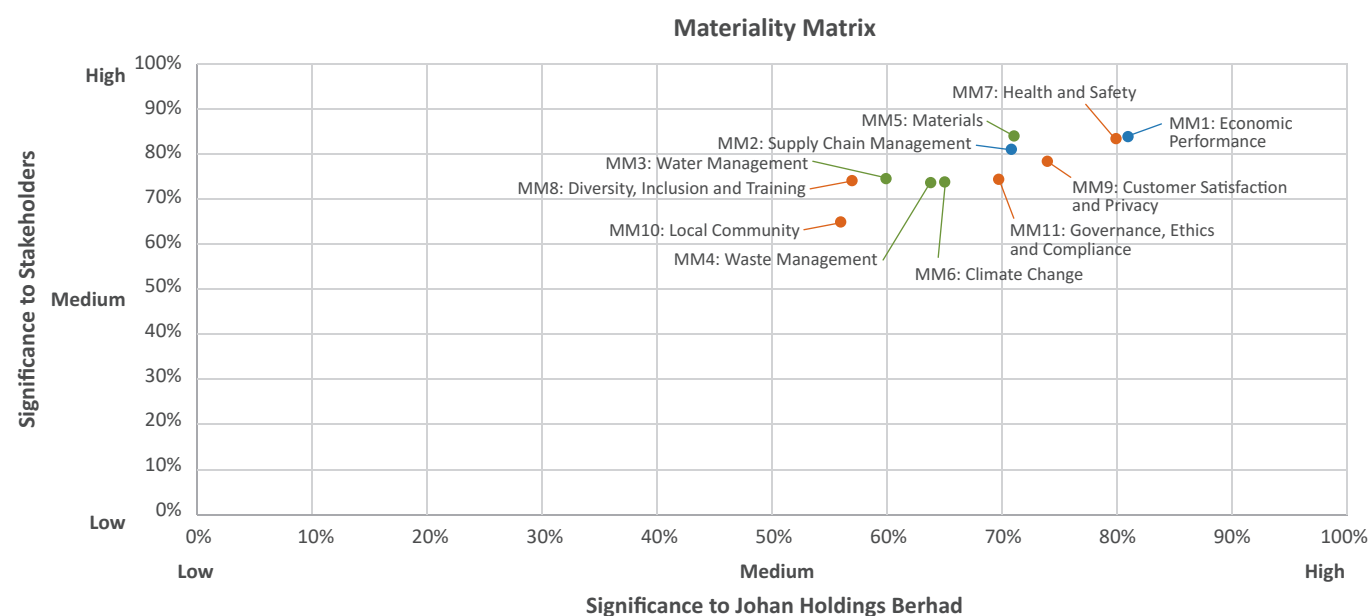


SUSTAINABILITY STATEMENT

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Materiality Matrix

In FY2025, the Group conducted a materiality reassessment, resulting in a consolidated list of eleven (11) material sustainability matters. This refinement signifies our alignment with stakeholder expectations, evolving regulatory requirements, and global sustainability priorities. The identified material issues reflect areas of greatest relevance to both the Group and our stakeholders, with those positioned in the upper right-hand quadrant of the matrix considered most significant.



MATERIAL MATTERS

Economy

MM1: Economic Performance
MM2: Supply Chain Management

Environment

MM3: Water Management
MM4: Waste Management
MM5: Materials
MM6: Climate Change

Social and Governance

MM7: Health and Safety
MM8: Diversity, Inclusion and Training
MM9: Customer Satisfaction and Privacy
MM10: Local Community
MM11: Governance, Ethics and Compliance

SUSTAINABILITY RISKS AND OPPORTUNITIES

As sustainability-related opportunities and risks are integral to the Group's business and operational strategies, oversight of these matters is assigned to the Risk Management Committee ("RMC"), which is supported by sub-RMCs established within the respective business segments. The RMC's mandate is to implement and oversee a structured sustainability risk management framework that is aligned with the ISO 31000:2018 Risk Management Standard and complies with the Malaysian Code on Corporate Governance ("MCCG") 2021.

All new and ongoing projects, as well as existing operational activities, are subject to risk assessment procedures. The sub-RMCs meet periodically to review sustainability risks through the processes of identification, assessment, mitigation and monitoring of EESG impacts. These sessions include the evaluation of governance risk registers applicable to the Group's operations and the assessment of compliance with quality, environmental, health, and safety standards.

The outcomes of these reviews are escalated to the RMC and subsequently reported to the Audit Committee half-yearly, thereby assuring that material matters are actively managed across the Group.

SUSTAINABILITY STATEMENT

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The following table shows the Group's eleven (11) material matters, their associated risks, and the opportunities arising from them:

Material Matters	Risks	Opportunities
ECONOMY		
MM1: Economic Performance	- Financial performance that does not meet stakeholders' expectations - Non-alignment of strategy with the national economic policy	- Enhance investor confidence through consistent financial performance and transparent disclosures - Align business strategies with the national economic agenda to capture growth opportunities and strengthen market relevance
MM2: Supply Chain Management	- Forex fluctuations that affect price stability - Unexpected delays in the delivery of materials disrupting operations / production	- Monitor and manage foreign exchange exposure through prudent procurement planning and cost-control measures - Strengthen supply chain resilience through supplier diversification and strategic partnerships
ENVIRONMENT		
MM3: Water Management	- Potential contamination of water due to spilled chemicals - Failure of the water treatment process - Rising water tariffs or scarcity affecting operational costs and availability	- Improve operational efficiency through effective treatment and recycling of wastewater - Reduce dependency on external water sources by implementing water conservation initiatives - Strengthen environmental credentials by adopting best practices in water stewardship
MM4: Waste Management	- Potential contamination due to ineffective storage / disposal processes - High wastage due to rejected products - Regulatory non-compliance leading to fines or reputational damage	- Reduce waste sent to landfill through recycling and reuse initiatives (e.g. composting of green waste for fertiliser) - Enhance production efficiency by improving production quality control to reduce rejects - Strengthen compliance and corporate reputation by adhering to waste management regulations and adopting circular economy practices
MM5: Materials	- Procuring sub-standard materials resulting in high production rejects / low-quality products - Volatility in raw material prices increasing procurement costs - Limited availability of quality- or standards-certified materials affecting compliance and customer requirements	- Strengthen supplier selection and quality control to ensure consistent, high-quality inputs - Adopt long-term contracts or hedging strategies to mitigate price volatility - Enhance market competitiveness by sourcing sustainable-certified materials that meet stakeholder expectations
MM6: Climate Change	- Adverse climate events (heatwaves, droughts, storms) disrupting operations and stakeholder expectations - Regulatory changes introducing stricter climate-related requirements - Transition risks from shifting market demand toward low-carbon products and services	- Strengthen climate resilience by identifying, assessing and managing climate-related risks across the Group's operations - Capture new market opportunities by aligning products and services with low-carbon and green economy demand

SUSTAINABILITY STATEMENT

cont'd

Material Matters	Risks	Opportunities
SOCIAL AND GOVERNANCE		
MM7: Health and Safety	- Accidents or injuries at the workplace leading to loss of time, reputational damage and financial loss - Non-compliance with occupational safety and health regulations (e.g. DOSH requirements) - Insufficient safety culture resulting in recurring incidents or near-misses	- Cultivate a proactive safety culture through regular training, awareness campaigns and leadership commitment - Ensure strict compliance with occupational health and safety standards to minimise risks and liabilities - Improve employee productivity and morale through enhanced workplace safety and well-being programmes
MM8: Diversity, Inclusion and Training	- Misunderstanding among employees of different genders, social and ethnic backgrounds may result in high turnover and limit talent attraction - Inability to adapt to new technologies or work process due to lack of skills or knowledge - Failure to provide inclusive opportunities could affect the Group's reputation as an employer of choice	- Encourage open communication and collaboration to foster inclusivity and mutual understanding - Provide continuous training and upskilling to ensure a future-ready workforce - Strengthen employer brand by embedding diversity, inclusion and equal opportunities in recruitment and career development
MM9: Customer Satisfaction and Privacy	- Potential loss of customers due to late delivery, compromised product/service quality, or poor after-sales service - Potential reputational damage and legal repercussions due to customer data leakage - Failure to adapt to evolving customer expectations (e.g. digital services, sustainability concerns)	- Enhance customer experience through timely delivery, consistent quality, and responsive after-sales support - Safeguard customer trust by implementing strong data protection measures and IT security systems
MM10: Local Community	- Inadequate support of local communities may result in misunderstandings or complaints (e.g. environmental concerns) - Insufficient engagement with local communities may result in lack of understanding or negative perceptions of the Group's activities - Failure to address community expectations could affect the Group's social licence to operate	- Foster goodwill by supporting community programmes on recycling, cleanliness, health and safety, and local events - Promote mutual understanding through transparent engagement and consultation with local communities - Strengthen reputation by aligning community initiatives with national and local development priorities
MM11: Governance, Ethics and Compliance	- Lack of timely updates on new regulatory requirements may result in non-compliance - Incidents of unethical behaviour leading to reputational damage and loss of stakeholder confidence - Weak internal controls or oversight could increase the risk of fraud and misconduct	- Strengthen governance structures and compliance monitoring to ensure timely adherence to regulatory requirements - Promote a culture of ethics and integrity through codes of conduct, training and leadership commitment - Enhance stakeholder confidence by demonstrating transparency, accountability and effective risk management

SUSTAINABILITY STATEMENT

cont'd

SUSTAINABILITY FRAMEWORK

The Group's sustainability framework integrates our Approach to Sustainability, which clearly defines leadership roles, focus areas and fields of action. These components collectively support and advance our EESG performance, enabling the creation of shared value that is in alignment with national goals and the United Nations Sustainable Development Goals ("UN SDGs").



OUTCOMES

We strive to achieve a meaningful and positive impact on government strategic plans for national development and contribute to the UN SDGs, specifically through the Group's business and operations.



SUSTAINABILITY STATEMENT

cont'd

SUSTAINABILITY MATTERS

This section details our efforts concerning the 11 issues that are significant to us and our stakeholders. These issues originate from our business, operations, products, which in turn enable our customers and partners to achieve their sustainability goals. The aim of these approaches is to enhance the economic resilience of our stakeholders whilst concurrently reducing their environmental footprint.

ECONOMY



MM1: Economic Performance
MM2: Supply Chain Management

Economic sustainability is central to the Group's long-term viability, underpinning business continuity, resilience and stakeholder confidence. We contribute to the nation's economic growth through prudent financial management, diversification of revenue streams and partnership with our customers, employees and supply chain.

MM1: Economic Performance

The Group's economic performance is a core material matter, reflecting our ability to sustain long-term value creation whilst meeting stakeholder expectations. Our diversified business segments contribute to Malaysia's Gross National Product and foreign exchange earnings. Moreover, we make direct economic contributions through revenue generation, employment creation, tax payments, and reinvestment in operations.

In FY2025, we maintained prudent financial discipline to strengthen resilience and stakeholder confidence. This strategy mitigated the risks of underperformance whilst capturing opportunities, such as cost efficiency measures, strengthened risk controls, and the effective allocation of resources across healthcare, hospitality, and trading activities. These steps serve to reinforce financial stability and build long-term trust with our stakeholders.

The Group remains strategically aligned with the new objectives of the 13th Malaysia Plan ("RMK13"), which focuses on sustainable economic growth, strengthening healthcare systems, and revitalising tourism. Our ongoing efforts to diversify revenue streams and reinforce financial management will position the Group to contribute significantly to Malaysia's broader growth agenda.

Direct Economic Contribution (RM'000)			
	FY2025	FY2024	FY2023
Revenue	26,378	22,609	21,042
Tax credit/(expenses)	411	(194)	55
Employee Wages	10,715	11,476	13,934

SUSTAINABILITY STATEMENT

cont'd

MM2: Supply Chain Management

Supply Chain Principles

The Group manages its supply chain with a strong emphasis on ethics, transparency and accountability. All transactions comply with applicable laws and regulations with suppliers expected to adhere to Group policies. These practices reflect our ongoing commitment to responsible and sustainable procurement.

Local Purchasing

Of the RM124 million in total supplier spending during FY2025, RM109.6million, or 88%, was channelled to local suppliers. This high rate of local procurement demonstrates the Group's role in stimulating domestic economic activity and reinforces our commitment to building resilient Malaysian partnerships.

The Group's prioritisation of local sourcing wherever possible helps mitigate risks related to foreign exchange fluctuations and cross-border logistics delays. Furthermore, close engagement with suppliers allows for effective cost management and supply stability. Collectively, these actions strengthen business continuity, enhance the resilience of our value chain, and reinforce stakeholder confidence in our operations.

Proportion of spending on local suppliers			
Period	Total amount spent on all suppliers (RM)	Total amount spent on local suppliers (RM)	Proportion of spending on local suppliers
FY2025*	124,004,610.05	109,617,883.00	88%
FY2024	40,168,272.00	22,028,221.00	55%
FY2023	45,008,300.00	38,047,285.00	85%

*Note: Supplier spending in FY2025 increased significantly due to the completion and certification of construction works for our glove manufacturing plant.

ENVIRONMENT



MM3: Water Management
MM4: Waste Management
MM5: Materials
MM6: Climate Change

Environmental protection, which involves the preservation and restoration of natural resources and ecosystems, is foundational to the SDGs, directly impacting SDG 13 (Climate Action), SDG 14 (Life Below Water), and SDG 15 (Life on Land). These goals urge mitigation of environmental degradation, biodiversity conservation, and sustainable resource use. Accordingly, we address our four environmental sustainability matters by embedding best practices and operating procedures to ensure effective implementation, accountability, and compliance.

Guided by the Johan Sustainability Policy, the Group's responsible management of natural resources ensures communities and businesses thrive in balance with sustaining ecosystems. The Policy emphasises compliance, continuous improvement, stakeholder collaboration, and support for national environmental focus areas. As our operational sites and raw material sources fall outside biodiversity-sensitive zones, we report no direct impact on biodiversity.

SUSTAINABILITY STATEMENT

cont'd

Environmental Commitments:

- Compliance
- Continuous improvement
- Set targets and periodic reviews
- Collaborate with stakeholders
- Support the national agenda
- Adopt best practices
- Allocate resources

We adhere to the following key acts and regulations in Malaysia:

- Environmental Quality (Amendment) Act 2024
- Environmental Quality Clean Air 2014
- Environmental Quality (Industrial Effluent) Regulations 2009
- Environmental Quality (Sewage) Regulations 2009
- Environmental Quality (Scheduled Wastes) Regulation 2005

Our environmental management systems adhere to all relevant standards and best practices in our environmental management systems. We have initiated procedures to fully comply with the specifications prescribed by the Department of Environment (“DOE”). We are pleased to report that, in the year under review, we achieved a zero-non-compliance record and incurred no fines or penalties related to any operational activities with potential negative environmental impacts.

MM3: Water Management

Sustainable water management is vital in safeguarding environmental, social, and economic well-being. The Group commits to responsible water use and proper wastewater treatment, especially within our Healthcare and Hospitality divisions. We allocate resources to monitor consumption and effluents. We do not withdraw from or discharge into rivers, lakes, ponds, or groundwater or boreholes.

Water Treatment, Reuse and Recycling

Prior to discharge, wastewater is first treated using a Wastewater Treatment Plant (“WWTP”), an industrial effluent treatment system. Currently, Dynacare and Orient Star maintain rainwater systems, but the amount of rainwater collected is not recorded. We promote responsible water usage among all employees and maintain close monitoring for potential leaks and water consumption increases. Our Hospitality division minimises laundry loads through policies on towel placement and laundering service, conducts regular piping maintenance to prevent leaks, and adheres to water-efficient pool-cleaning schedules. Our Healthcare production lines utilise water and air scrubber systems to reduce and neutralise the chemicals in our wastewater and exhaust before discharge. All hazardous effluents from our WWTP are treated by a DOE-accredited hazardous waste contractor.

Water Indicators (megalitres)			
Period	Water Withdrawal Data or Total Volume of Water Used		
	Other Water Sources	Municipal Potable Water	Total
FY2025	0	106.82	106.82
FY2024	0	104.88	104.88
FY2023	0	96.49	96.49

MM4: Waste Management

At Johan, we promote a circular economy where waste is regenerated and materials are kept in circulation through the 4R principle – Reduce, Reuse, Refurbish and Recycle. By decoupling economic activity from the consumption of finite resources, we help mitigate climate change and other global challenges, such as biodiversity loss, waste, and pollution.

SUSTAINABILITY STATEMENT

cont'd

Waste Management Practices

- To ensure compliance with all regulatory requirements, the Group has appointed a Certified Environmental Professional in Scheduled Waste Management.
- Across our operations, wastes are segregated, properly labelled, and allocated to designated spaces for scheduled and non-scheduled categories.
- General waste is channelled for recycling wherever possible.

Healthcare division:

- o Production lines are equipped with scrubber systems to filter and neutralise excess chlorine from the production process.
- o Sludge cakes generated by the wastewater treatment plant are disposed of through licensed contractors, strengthening compliance with DOE requirements.

Group-wide practices:

- o The “No More Plastics” programme actively discourages the use of single-use plastics such as straws, cups and cutleries.
- o This initiative raises awareness about plastic pollution and encourages employees to adopt more sustainable consumption habits.

Through these measures, we reduce the risks of contamination from improper storage or disposal whilst strengthening our green credentials through recycling practices.

Waste Indicators (metric tonnes)				
Period	Waste Generation			% of waste recycled vs. generated
	Recycled (diverted from disposal)	Non-recycled (directed to disposal)	Total	
FY2025	32.10	18.03	50.13	64.03%
FY2024*	19.02	11.97	30.99	61.37%
FY2023	6.37	33.94	40.31	15.80%

*Note: FY2024 data has been restated based on revised reporting from operating units.

MM5: Materials

The Group is committed to reducing and, where possible, eliminating the consumption of natural resources, particularly virgin materials. This goal is supported by our industrial products supplier, who utilises extraction and refining technologies to minimise virgin material usage. Consequently, our industrial products are manufactured from 85% recycled materials.

- The Healthcare division applies efficient production methods that reduce raw material intensity, supported by efficiency-improving technologies.
- Rigorous quality control and supplier selection criteria safeguard against sub-standard inputs that could lead to rejections, inefficiencies, and additional costs.

SUSTAINABILITY STATEMENT

cont'd

Through these practices, the Group simultaneously reduces waste, reinforces resilience, and maintains product reliability for customers. This demonstrates that responsible material management supports both sustainability objectives and business performance.

Additionally, we maintain a comprehensive environmental commitment even though our operational sites and raw material sources are not located in biodiversity-sensitive zones and, therefore, have no impact on biodiversity. It encompasses the protection of all aspects of the Earth's environment: air, soil, and water. This broad commitment ensures we effectively address biodiversity and other critical environmental protection agendas.

MM6: Climate Change

Climate change is interconnected with various environmental issues that can impact people, including workers and local communities. The extent and magnitude of climate change impacts have prompted international climate agreements, rising national ambitions for climate action, and increasing public awareness.

The National Sustainability Reporting Framework ("NSRF") guides the nation's alignment of its reporting efforts with the globally recognised standards set by the International Sustainability Standards Board (ISSB), specifically the *IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures*.

In this regard, JHB is currently transitioning its disclosure to align with the national framework. Our SWC is directly involved in evaluating the financial impacts, risks and opportunities, and reporting metrics. We are also actively assessing the resilience of our Group's businesses against various climate-related probabilities, mitigating our impacts, and adopting a suitable approach.

Below is our initial statement, organised into the thematic areas that represent the fundamental elements of addressing climate change. The Board will review and consider setting relevant targets towards reducing our carbon footprint.

Metrics

The Group discloses Scope 1 and Scope 2 emissions for financial years 2023–2025 in accordance with the GHG Protocol.

GHG Emissions (tCO ₂ e)		
Period	Scope 1	Scope 2
FY2025	4,137	680
FY2024	2,895	656
FY2023	1,536	381

Note: Scope 1 emissions increased in FY2025 mainly due to higher production output compared to FY2024.

Definitions	
Scope 1	Direct GHG emissions from the consumption of petrol and diesel, natural gas and LPG by sources owned or controlled by the Group
Scope 2	Indirect GHG emissions from the consumption of purchased electricity
GHG Framework	GHG protocol
Emission Factor	The rate of tCO ₂ e for Scopes 1 and 2 was extracted from the UK Government's GHG Conversion Factors

SUSTAINABILITY STATEMENT

cont'd

The table below shows our energy consumption for the past three financial years:

Period	Energy Consumption (GJ)				Megawatts
	Electricity	Fuel	Gas	Total Energy	
FY2025	13,829	254	74,563	88,646	24,623.91
FY2024	11,410	167	52,824	64,401	17,889.18
FY2023	6,516	115	28,081	34,712	9,642.23

Note: Electricity and gas consumption increased in FY2025 mainly due to higher production output compared to FY2024.

Climate Change Risks	Potential Financial Impacts
Policy and Legal Risks refer to the enhanced emission reporting guidelines and the updated national and international regulatory requirements for our products and services. Technology Risk is the cost of transitioning to lower-emission technologies. Market Risk indicates changes in customer behaviour and preferences, as customers seek substitute products or similar options with lower emissions. Reputational Risk is the increase in stakeholder concern if the company does nothing to tackle climate change.	Transition Risks will increase operating costs because we must invest resources to reduce risks. The culmination of the 12th Malaysia Plan and the adoption of the 13th Malaysia Plan will continue the trajectory of sustainable growth, resilience, and shared prosperity. Investments will focus on new technologies that enable us to reduce emissions and comply with new regulatory and statutory standards. Carbon pricing can spread globally, hinting at an economic signal to the market, towards lower-carbon products and changes in customers' choices.
Physical Risks consist of Acute and Chronic Risks. Acute: Increased severity of extreme events such as floods and droughts. Chronic: Changes in precipitation, weather patterns and rising temperatures.	Any acute or chronic changes in temperature will result in availability issues and potential price increases for raw materials. Investments to further reduce water intensity and the circular economy will have to be strengthened. Changes in weather patterns could affect deliveries and the health and safety of employees.
Resource Efficiency can be achieved by using a more efficient production and distribution process. At the same time, applying waste and water recycling and rainwater harvesting can reduce the volume of resources and water consumed. Energy can be derived from many renewable sources and augmented by access to government energy incentives.	Operation costs can be reduced through efficiency gains and cost reductions. Water consumption can be reduced by harvesting rainwater and reducing water intensity. Government incentives for renewable energy policies can offset the initial costs of solar power installation and payments to public utility companies.

SUSTAINABILITY STATEMENT

cont'd

SOCIAL AND GOVERNANCE



MM7: Health and Safety

MM8: Diversity, Inclusion and Training

MM9: Customer Satisfaction and Privacy

MM10: Local Community

MM11: Governance, Ethics and Compliance

Our social and governance sustainability matters promote the UN SDGs 3, 4, 5 and 16. In line with international standards, Johan's Sustainability Policy upholds and safeguards health and safety, respects human rights, fosters diversity and inclusion, protects customer interests, contributes to the well-being of local communities, and establishes an interconnected framework of governance, ethics, and compliance.

Our Social Commitments

- Prevent and prohibit all practices of child labour, forced labour, or modern slavery, as well as excessive working hours, bullying, and sexual or power harassment.
- Disallow all forms of discrimination and respect individual diversity, including but not limited to race, religion, gender, age, physical ability, nationality and ethnicity.
- Support the rights to freedom of association and collective bargaining.
- Apply equal-opportunity practices, ensuring merit-based employment, skills development, and promotion.
- Engage constructively with stakeholders on human rights issues.
- Inculcate awareness and provide training for employees, business partners and the community.
- Conduct ongoing risk assessments on human rights impacts as part of the Group's normal business processes.

MM7: Health and Safety

Health and safety are foremost sustainability priorities for the Group, particularly at our healthcare subsidiary, Dynacare, where operational risks necessitate stringent safety management. We ensure that our health and safety compliance efforts meet the requirements prescribed by the Department of Occupational Safety and Health ("DOSH"). This commitment extends to employees, business partners, and the communities we serve. We uphold this commitment by:

- Performing comprehensive assessments of risks and opportunities.
- Setting measurable performance targets.
- Eliminating hazards and reducing occupational health and safety risks.
- Implementing a robust health and safety management system.
- Identifying areas for continuous improvement.
- Encouraging active stakeholder involvement.

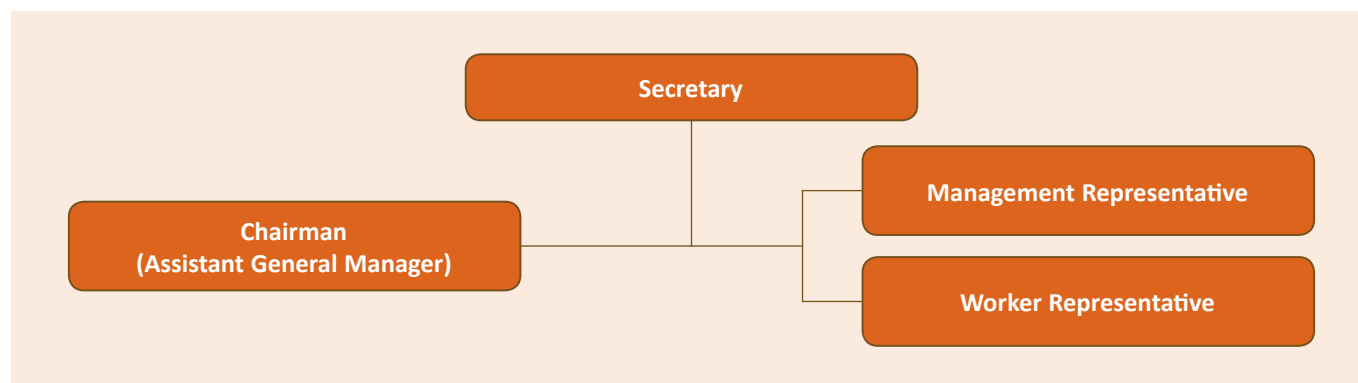
To strengthen this framework, Dynacare has formalised Standard Operating Procedures ("SOPs") supported by documented forms, a Permit to Work system, and a structured process for Hazard Identification, Risk Assessment and Risk Control ("HIRARC"). The HIRARC framework is precisely defined by a clear purpose, scope, and methodology, and is reinforced by a well-structured implementation flowchart.

SUSTAINABILITY STATEMENT

cont'd

Health and Safety Committee

The Dynacare H&S Committee, a joint body comprising management and worker representatives, collaborates to identify hazards, assess risks, promote safety awareness, and implement improvements, thereby ensuring a safe and healthy workplace environment. The committee provides a formal structure for management and workers to meet regularly to discuss safety and health issues. It reports the progress and status of all workplace safety matters to the Chairman – Assistant General Manager.



Health & Safety Highlights FY2025

Total hours worked: 396,000

Lost-time incidents: 1

LTIR: 0.51

Fatalities: 0

Target: Zero lost-time incidents

In FY2025, the Group recorded only one minor lost-time incident, a significant reduction from the four recorded in FY2024, reflecting an improvement in safety practices. We maintained a zero-fatality record across the last three years.

Health and Safety Data

Employee Health and Safety Data				
Period	Total no. of hours worked in the reporting period	No. of Lost Time Injuries	LTIR ¹	Work-related Fatalities
FY2025	396,000	1	0.51	0
FY2024	354,000	4	2.26	0
FY2023	364,000	0	0.00	0

¹ LTIR is calculated as a rate where the number of lost time incidents during the reporting period are expressed per the total number of hours worked as at the end of the reporting period.

SUSTAINABILITY STATEMENT

cont'd

Types of Health and Safety Training

Our employees participated in a range of H&S training programmes organised in partnership with private, public and NGO training centres. These programmes covered regulatory compliance, updated Hazard Identification, Risk Assessment and Determining Control (“HIRADC”) methodology, OSH innovation, CPR and firefighting, including a fire-safety organisation seminar conducted by the Perak State Fire and Rescue Department (JBPM Negeri Perak). The HIRADC (new version) focused on refreshing employees’ skills in systematically identifying workplace hazards, evaluating associated risks, and implementing effective controls. Participation in the 17th NRG-SHE OSH Conference 2025 exposed selected staff to current OSH innovations and facilitated peer learning. The Fire Safety Organisation (OKK) seminar at JBPM Negeri Perak strengthened local authority linkages and emergency preparedness (seminar held in June 2025 in Perak).

FY2025 Types of Health and Safety Training	No. of Hours	No. of Employees
Seminar on Compliance and Empowerment of the Environmental Quality Act 1974	8	1
Seminar on Emergency and Industrial Disaster Management 2024	16	1
Hazard Identification, Risk Assessment & Determining Control (Updated Version)	16	1
NRG-SHE OSH Conference 2025: Innovating Occupational Safety & Health	16	1
CPR & Fire Extinguisher Handling	160	20
Fire Safety Organisation (OKK) Seminar, Fire & Rescue Department (Perak), 2025	8	1
Total	224	25

MM8: Diversity, Inclusion and Training

The Group continues to prioritise Diversity, Inclusion and Training as key drivers of sustainable business performance. Consistent with SDG 4 (Quality Education), SDG 5 (Gender Equality) and SDG 8 (Decent Work and Economic Growth), this material matter encompasses employee development, fair labour practices, equal opportunity, human rights, and inclusive workplace culture. A diverse and skilled workforce is fundamental to enhancing innovation, attracting and retaining talent, and building resilience across the Group.

Diversity and Inclusivity

JHB recognises the strategic value of diversity at all levels of the organisation, including the Board of Directors. Our recruitment and selection processes are based strictly on merit, giving due regard to gender, age, cultural background, ethnicity, religion, and other forms of diversity.

At Dynacare, all workers are local residents and are provided with individual lockers for personal use, reflecting the Group’s commitment to dignity and a safe working environment.

In FY2025, females represented 32% of the workforce (male, 68%). The age distribution was 35% under 30, 45% between 30–50 and 20% above 50. Whilst diversity is evident, leadership-level representation remains an area for improvement, and the Group continues to build towards a more inclusive organisation. (FY2024 comparatives: 36% women; age 29%/47%/24%.)

To view our Diversity and Inclusion Policy, please visit: <https://www.johanholdings.com/wp-content/uploads/2022/06/Diversity-and-Inclusion-Policy-JHB-20.06.2022.pdf>

SUSTAINABILITY STATEMENT

cont'd

Workforce Data

Percentage of Employees by Gender and Age Group			
	FY2025	FY2024	FY2023
Gender			
Male	68%	64%	61%
Female	32%	36%	39%
Age			
<30 Years	35%	29%	34%
30-50 Years	45%	47%	47%
>50 Years	20%	24%	20%

Percentage of Employees by Age, Gender and Employee Category					
FY2025	Gender		Age		
Employee Category	Male	Female	<30	30-50	>50
Senior Management	92%	8%	0%	25%	75%
Management	44%	56%	4%	60%	36%
Executives	42%	58%	29%	46%	25%
Non-Executives	75%	25%	45%	45%	10%
Total	68%	32%	35%	45%	20%

Percentage of Directors by Gender and Age Group			
	FY2025	FY2024	FY2023
Gender			
Male	80%	80%	80%
Female	20%	20%	20%
Age			
<30 Years	0%	0%	0%
30-50 Years	20%	20%	20%
>50 Years	80%	80%	80%

Total Number of Employee Turnover by Employee Category			
	FY2025	FY2024	FY2023
Senior Management	0	3	4
Management	0	3	8
Executives	11	5	18
Non-Executives	117	58	126

SUSTAINABILITY STATEMENT

cont'd

Employment Type			
	FY2025	FY2024	FY2023
Contractual	18%	14%	8%
Permanent	82%	86%	92%
Total	100%	100%	100%

Employee Turnover			
	FY2025	FY2024	FY2023
Total new hires (No.)	162	57*	37
New hire rate (%)	82	32*	20
Turnover rate (%)	65	39*	86

*FY2024 data was restated to rectify prior data entry error.

Training and Education

New employees undergo an induction programme covering company culture, health and safety, human rights and operational expectations. Employees receive continuous learning via external training and seminars, ensuring that they remain updated with evolving regulatory, industry and technical requirements.

In FY2025, employees recorded an average of 6.70 training hours per employee, a notable increase compared to previous years, reflecting the Group's emphasis on capability development.

Training Data

Total Hours of Training by Employee Category					
Period	Senior Management	Management	Executives	Non-Executives	Total
FY2025	23	218	224	862	1,327
FY2024	8	56	104	160	328
FY2023	49	97	409	108	663

Remuneration and Benefits

Nurturing the welfare and well-being of our employees raises their morale and ignites their motivation to work productively, which directly translates into longer retention and a shared commitment to the Group's success. Our pay scale abides by the national minimum wage law and is competitive when benchmarked against our industry peers. Additionally, we uphold all regulations on equal pay for equal work.

Our employee benefits include a wide array of health and welfare programmes, which are tiered based on length of service and position. Our employees enjoy comprehensive outpatient, hospitalisation, and dental coverage, alongside other applicable allowances. All employees are also covered with personal accident insurance.

SUSTAINABILITY STATEMENT

cont'd

Human Rights

The Group's human rights commitments are embedded in our Code of Conduct, which is aligned with the United Nations Guiding Principles on Business and Human Rights, the International Labour Organisation core conventions, and the Universal Declaration of Human Rights.

A Whistleblowing Policy is in place to enable employees and stakeholders to report concerns in good faith without fear of reprisal. Additionally, the Group has established union representation in the Hospitality division to ensure that the employees' rights to collective bargaining are respected.

In FY2025, employees recorded an average of 6.70 training hours per employee. Total external training surged to 1,327 hours across 131 participants, representing a 304.6% uplift from the 328 hours recorded in FY2024. This significant increase was primarily focused on operational and HSE programmes, supporting capability, compliance and service quality across business segments.

No. of Substantiated Human Rights Complaints

FY2025	0
FY2024	0
FY2023	0

FY2025 Employee External Training Summary

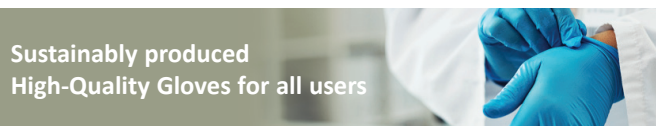
Types of Training	No. of Hours	No. of Employees
Health, Safety and Environment	224	25
Career Development (with certification)	1	1
Operational (finance, technical, risk mgt. IT others.)	1,046	49
Others: Anti-corruption & bribery	56	56
Total	1,327	131

MM9: Customer Satisfaction and Privacy

Customer satisfaction and privacy are central to JHB's commitment to long-term stakeholder trust. In line with SDG 9 (Industry, Innovation and Infrastructure) and SDG 12 (Responsible Consumption and Production), the Group strives to deliver the highest quality products whilst safeguarding customer data and privacy. Robust processes guide our aim to mitigate risks related to product quality compromise, late delivery, or data leakage, simultaneously reinforcing confidence, retaining existing customers, and expanding our clientele.



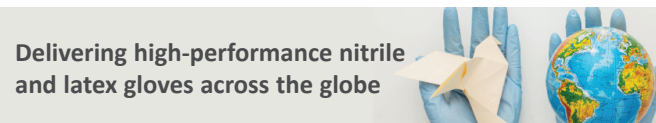
State-of-the-art technology
for increased sustainability



Sustainably produced
High-Quality Gloves for all users



Quality-certified gloves to meet
your industry's protection needs



Delivering high-performance nitrile
and latex gloves across the globe

SUSTAINABILITY STATEMENT

cont'd

Quality Management Systems

The Group's specialist teams ensure that all our products meet stringent international quality standards. Our rigorous quality assurance processes conform with benchmarks set by global accreditation bodies. These include International Organization for Standardization ("ISO") 9001:2015, European Norm ("EN"), American Society for Testing and Materials ("ASTM"), and Conformité Européenne ("CE") certifications. These systems reflect our commitment to consistency, safety, and excellence across all divisions.



To reinforce this, Dynacare adheres strictly to standards and regulations, ensuring compliance with both Malaysian and international healthcare product requirements. This alignment enhances confidence in our ability to deliver safe, reliable and certified products to customers worldwide.

Innovation

Our state-of-the-art glove manufacturing plant features high-capacity production lines designed to maximise efficiency and maintain quality. Our products are made using synthetic nitrile butadiene rubber, a petrochemical-based material, which provides a sustainable, high-performance alternative to natural rubber latex. Our commitment includes ongoing R&D investment to ensure our internationally certified products lead evolving global requirements.

Dynacare further strengthens this innovation pathway by continuously innovating sustainable production processes to improve efficiency and reduce environmental impact, ensuring our offerings remain relevant to customer and industry expectations.

Customer Privacy and Data Protection

We comply with the Malaysian Personal Data Protection Act 2010 ("PDPA") and applicable international data protection laws in our operating markets. Through robust legal, administrative, and technical safeguards, the Group maintains a flawless record of zero privacy, cybersecurity, or data breach incidents, thereby reinforcing trust amongst our customers and business partners.

No. of substantiated Cybersecurity Complaints

FY2025	0
FY2024	0
FY2023	0

SUSTAINABILITY STATEMENT

cont'd

MM10: Local Community

The Group recognises the importance of nurturing long-term relationships with local communities. Maintaining close ties is essential as we continue to operate our business in an inclusive manner. Active engagement with these communities helps us mitigate the risks of misunderstandings or complaints arising from insufficient support, simultaneously creating opportunities to build mutual understanding and enhance the Group's reputation.

Our operations continue to contribute to the economic and social development of local communities. By prioritising local hiring and sourcing, we directly benefit residents by providing employment and business opportunities, eliminating the need for migration. Specific examples include our Hospitality and Healthcare divisions sourcing local produce and services, and the Orient Star Resort Lumut in Perak generating demand that boosts economic participation in the area.

During the year under review, we strengthened our outreach through various community programmes. Activities included an initiative where 300 trees were planted around the Orient Star Resort Lumut area, Ramadan engagements such as distribution of 400 containers of *bubur lambuk*, festive dinners with orphaned children at Masjid Al-Adly, and financial support in the form of *duit raya*. These initiatives, which provided direct benefits to more than 440 community members, reflect our commitment to environmental stewardship and cultural inclusivity. In total, 32 employees participated in these programmes, underscoring the Group's strong culture of volunteerism.

In FY2025, the Group also participated in the Fire Safety Organisation (OKK) Seminar organised by the Fire & Rescue Department (Perak), which was aimed at enhancing community preparedness and fire safety awareness.



Breaking fast dinner



Tree planting at Orient Star Resort Lumut



Bubur Lambuk distribution

SUSTAINABILITY STATEMENT

cont'd

Community Investment

Period	Total amount invested in the community (RM)	Total number of beneficiaries
FY2025	6,244	442
FY2024*	5,614	486
FY2023*	3,002	30

*FY2024 and FY2023 data has been restated following updated verification.

Beyond financial contributions, our community investments are underpinned by long-term engagement and open dialogue. These activities are specifically designed to improve quality of life, foster environmental awareness and cleanliness, and strengthen trust with local stakeholders.

In addition to financial and volunteer initiatives, the Group supported local talent development by offering internship opportunities to members of the surrounding community. During FY2025, Dynacare hosted two interns, while Orient Star Resort Lumut engaged eight interns across its operations. These placements provided practical workplace exposure and skills development, contributing to employability of community members.

Memberships of Associations

The Group maintains active memberships in recognised professional and industry associations, enabling us to benchmark against best practices, collaborate with peers and strengthen stakeholder trust. These affiliations enhance our product quality, service standards and community engagement. Our current memberships include:

- Malaysia Medical Device Registration
- Malaysian Association of Hotels
- Malaysian Rubber Glove Manufacturers Association

MM11: Governance, Ethics and Compliance

We regularly review our policies for continued relevance and effectiveness to fulfil our commitment to the highest standards of governance, ethics and compliance. This matter is consistent with SDG 16 (Peace, Justice and Strong Institutions). Recognising that delays in updating regulatory requirements pose a non-compliance risk, we continue to apply a structured governance approach to strengthen transparency and stakeholder confidence.

Our governance commitment is underpinned by policies that are reviewed regularly for continued relevance. These include the Code of Conduct and Ethics (setting expected behaviours), the Anti-Bribery and Anti-Corruption ("ABAC") Policy (aligned with the Malaysian Anti-Corruption Commission (Amendment) Act 2018), and the Whistleblowing Policy (providing a confidential channel without fear of reprisal). In FY2025, the Group successfully reported zero incidents of bribery, corruption, human rights violations, child labour or discrimination. Anti-corruption training continued for new recruits and existing employees, covering compliance requirements, ethical decision-making, and reporting mechanisms.

SUSTAINABILITY STATEMENT

cont'd

Grievance Procedures

Reports received via the Whistleblowing channel are investigated promptly with support from the Group Human Resources and Internal Audit departments. Appropriate disciplinary action is taken for breaches, and those who report in good faith are protected against retaliation.

Governance Data

Percentage of Employees Who Have Received Training on Anti-Corruption by Employee Category				
Period	Employee Category	Total number of employees	Number of employees who received training	% of employees who received training
FY2025	Senior Management	12	3	25%
	Management	25	22	88%
	Executive	24	20	83%
	Non-executive	137	63	46%
FY2024	Senior Management	12	3	25%
	Management	21	11	52%
	Executive	28	9	32%
	Non-executive	116	71	61%
FY2023	Senior Management	15	0	0%
	Management	20	0	0%
	Executive	31	0	0%
	Non-executive	116	0	0%

Percentage of Operations Assessed for Corruption-Related Risks				
Period	Total number of operations	Total number of operations assessed for corruption risk	% of operations assessed for corruption risk	Confirmed incidents of corruption and action taken
FY2025	8	5	63%	0
FY2024	7	4	57%	0
FY2023	7	0	0%	0

Governance, ethics and compliance remain embedded across our operations through continuous monitoring, training and transparent escalation channels.

SUSTAINABILITY STATEMENT

cont'd

PERFORMANCE DATA TABLE

Bursa Malaysia requires all publicly listed companies to provide mandatory ESG disclosures as part of the Main Market Listing Requirements, in line with the enhanced Sustainability Reporting Guide, 3rd Edition. The following performance data table, downloaded from the ESG Reporting Platform, summarises pertinent indicators against our Material Matters.

Indicator	Measurement Unit	2023	2024	2025
Economic Performance				
Revenue	MYR	21,042,000.00	22,609,000.00	26,378,000.00
Tax expenses	MYR	0.00	194,000.00	0.00
Employee wages	MYR	13,934,000.00	11,476,000.00	10,715,000.00
Tax Credit	MYR	55,000.00	0.00	411,000.00
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Senior Management	Percentage	0.00	25.00	25.00
Management	Percentage	0.00	52.00	88.00
Executive	Percentage	0.00	32.00	83.00
Non-executive	Percentage	0.00	61.00	46.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00	57.00	63.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	3,002.00	5,614.00 *	6,244.00

Internal assurance

External assurance

No assurance

(*)Restated

SUSTAINABILITY STATEMENT

cont'd

Indicator	Measurement Unit	2023	2024	2025
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	30	486	442
Employees participated in community impact programmes	Number	11	10	32
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Senior Management Under 30	Percentage	0.00	0.00	0.00
Senior Management Between 30-50	Percentage	27.00	25.00	25.00
Senior Management Above 50	Percentage	73.00	75.00	75.00
Management Under 30	Percentage	0.00	0.00	4.00
Management Between 30-50	Percentage	65.00	57.00	60.00
Management Above 50	Percentage	35.00	43.00	36.00
Executive Under 30	Percentage	32.00	25.00	29.00
Executive Between 30-50	Percentage	48.00	46.00	46.00
Executive Above 50	Percentage	19.00	29.00	25.00
Internal assurance External assurance No assurance				
(*)Restated				

SUSTAINABILITY STATEMENT

cont'd

Indicator	Measurement Unit	2023	2024	2025
Non-executive Under 30	Percentage	44.00	38.00	45.00
Non-executive Between 30-50	Percentage	46.00	47.00	45.00
Non-executive Above 50	Percentage	10.00	15.00	10.00
Gender Group by Employee Category				
Senior Management Male	Percentage	93.00	92.00	92.00
Senior Management Female	Percentage	7.00	8.00	8.00
Management Male	Percentage	35.00	43.00	44.00
Management Female	Percentage	65.00	57.00	56.00
Executive Male	Percentage	39.00	39.00	42.00
Executive Female	Percentage	61.00	61.00	58.00
Non-executive Male	Percentage	67.00	71.00	75.00
Non-executive Female	Percentage	33.00	29.00	25.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	80.00	80.00	80.00
Female	Percentage	20.00	20.00	20.00
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	20.00	20.00	20.00
Above 50	Percentage	80.00	80.00	80.00
Internal assurance External assurance No assurance				
(*)Restated				

SUSTAINABILITY STATEMENT

cont'd

Indicator	Measurement Unit	2023	2024	2025
Gender diversity - Male	Percentage	61.00	64.00	68.00
Gender diversity - Female	Percentage	39.00	36.00	32.00
Age diversity - Under 30	Percentage	34.00	29.00	35.00
Age diversity - Between 30 - 50	Percentage	47.00	47.00	45.00
Age diversity - Above 50	Percentage	20.00	24.00	20.00
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	9,642.23	17,889.18	24,623.91
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	2.26	0.51
Bursa C5(c) Number of employees trained on health and safety standards	Number	100	9	25
Total hours worked	Hours	364,000	354,000	396,000
Number of lost time injuries	Number	0	4	1
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Senior Management	Hours	49	8	23
Management	Hours	97	56	218

Internal assurance

External assurance

No assurance

(*)Restated

SUSTAINABILITY STATEMENT

cont'd

Indicator	Measurement Unit	2023	2024	2025
Executive	Hours	409	104	224
Non-executive	Hours	108	160	862
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	8.00	14.00	18.00
Bursa C6(c) Total number of employee turnover by employee category				
Senior Management	Number	4	3	0
Management	Number	8	3	0
Executive	Number	18	5	11
Non-executive	Number	126	58	117
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Average training hours per employee	Hours	4	2	7
Total new hires	Number	37	57 *	162
New hire rate	Percentage	20.00	32.00 *	82.00
Turnover rate	Percentage	86.00	39.00 *	65.00
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	85.00	55.00	88.00
Bursa (Data privacy and security)				

Internal assurance

External assurance

No assurance

(*)Restated

SUSTAINABILITY STATEMENT

cont'd

Indicator	Measurement Unit	2023	2024	2025
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	96.490000	104.880000	106.820000
Bursa (Waste management)				
Bursa C10(a) Total waste generated	Metric tonnes	40.31	30.99 *	50.13
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	6.37	19.02 *	32.10
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	33.94	11.97 *	18.03
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	1,536.00	2,895.00	4,137.00
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	381.00	656.00	680.00
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	-	No Data Provided

Internal assurance

External assurance

No assurance

(*)Restated

For C11(c): No data was provided for Scope 3 emissions, as the Company is not required to disclose such data for the financial years 2023 to 2025 under the Listing Requirements. The Company is currently reviewing its disclosure of Scope 3 emissions to align with the new National Sustainability Reporting Framework.

* In FY2024, for the categories under: Community/Society: amount invested in the community; Labour practices and standards: total new hires, new hire rate, and turnover rate; and Waste management, have been restated. The reasons for the restatement are disclosed in the relevant sections of the Sustainability Statement.

PROFILE OF DIRECTORS

TAN SRI DATO' TAN KAY HOCK

*Chairman & Chief Executive
Non-Independent Executive Director*



Age
78



Gender
Male



Nationality
Malaysian

A Barrister-at-Law, Tan Sri Dato' Tan Kay Hock is a lawyer by training having been called to the Bar by the Honourable Society of Lincoln's Inn, UK in 1971. In 1972, he was admitted as an advocate and solicitor to the Supreme Court of Malaysia. He is a non-practising lawyer. Since 1982, he was the non-Executive Chairman of George Kent (Malaysia) Berhad ("GKM"). On 12 June 2024, he was re-designated as Executive Chairman of GKM. GKM is listed on the Main Market of Bursa Malaysia Securities Berhad. It is an engineering company engaged in the water infrastructure, rail transportation and hospital construction industry.

Tan Sri Dato' Tan Kay Hock was appointed to the Board on 5 November 1980. He is the Chairman of the Risk Management Committee. His directorships in other listed issuers and public companies are as follows:

Listed issuers	:	George Kent (Malaysia) Berhad
Public Companies	:	-

PUAN SRI DATIN TAN SWEE BEE

*Group Managing Director
Non-Independent Executive Director*



Age
79



Gender
Female



Nationality
Permanent Resident
(Malaysia)

A Barrister-at-Law, Puan Sri Datin Tan Swee Bee is a lawyer by training having been called to the Bar by the Honourable Society of Lincoln's Inn, UK in 1971. In 1972, she was admitted as an advocate and solicitor to the Supreme Court of Malaysia. She is a non-practising lawyer. She was appointed Managing Director of Johan Group since 17 December 1984. Since 1989, she is a Non-Executive Director of George Kent (Malaysia) Berhad ("GKM"), listed on the Main Market of Bursa Malaysia Securities Berhad. GKM is an engineering company engaged in the water infrastructure, rail transportation and hospital construction industry.

Puan Sri Datin Tan Swee Bee was appointed to the Board on 29 January 1983. She is the Chairperson of Remuneration Committee and a member of Risk Management Committee. Her directorships in other listed issuers and public companies are as follows:

Listed issuers	:	George Kent (Malaysia) Berhad
Public Companies	:	-

PROFILE OF DIRECTORS

cont'd



**DATO' AHMAD KHAIRUMMUZAMMIL
BIN MOHD YUSOFF**

Non-Independent Non-Executive Director



Age
84



Gender
Male



Nationality
Malaysian



TAN POH MENG

Independent Non-Executive Director



Age
71



Gender
Male



Nationality
Malaysian

Dato' Ahmad Khairummuzammil Bin Mohd Yusoff holds a Bachelor of Arts (Economics Honours) from the University of Malaya. He was Deputy Chairman of the Urban Development Authority (UDA) of Kuala Lumpur from 1978 to 1981, and was subsequently appointed as UDA's Director-General, Chief Executive Officer and Board Member in 1981.

From May 1986 to 1994, he held various senior management positions in Kumpulan Guthrie Berhad and was its Executive Director from May 1986 to December 1987. He was also Vice President and Director of HICOM Holdings Berhad from February 1995 to July 2000, and subsequently held the post of Group Director in the DRB-Hicom Group until March 2006. He was the Director/Chairman of Metrojaya Berhad from 1979 to 2015.

Dato' Ahmad Khairummuzammil Bin Mohd Yusoff was appointed to the Board on 4 July 2005 as Independent Non-Executive Director and was re-designated as Non-Independent Non-Executive Director on 1 June 2023. He is a member of the Audit Committee, Remuneration Committee and Nominating Committee. His directorships in other listed issuers and public companies are as follows:

Listed issuers : George Kent (Malaysia) Berhad
Public Companies : -

Mr Tan Poh Meng was a senior legal practitioner and had been in legal practice for some 38 years. He obtained his law degree in LL.B.(Hons) from the University of Warwick in the United Kingdom in 1979. He was admitted as a Barrister of Lincoln's Inn, London in 1980 and as an Advocate and Solicitor of the High Court of Malaya in 1981. He began his legal practice with Messrs Skrine & Company and had a short stint as a partner at Messrs Nik Hussain & Partners. He was the principal partner of his own firm for the remainder of his practice as an Advocate & Solicitor.

Mr Tan Poh Meng was appointed to the Board on 16 January 2023. He is the Chairman of Nominating Committee. He is also a member of Audit Committee and Remuneration Committee.

Mr Tan Poh Meng does not hold any directorships in other listed issuers and public companies.

PROFILE OF DIRECTORS

cont'd



Age
47



Gender
Male



Nationality
Malaysian

Mr Mahathir Bin Mahzan is a Chartered Accountant and a Fellow member of Chartered Accountants Ireland (previously known as the Institute of Chartered Accountants in Ireland), the Malaysian Institute of Accountants (MIA) and also the ASEAN Chartered Professional Accountants (ASEAN CPA). He is also an Associate member of the Chartered Tax Institute of Malaysia (CTIM).

Mr Mahathir Bin Mahzan graduated with honours from University College London with a Bachelor's Degree in Electronic and Electrical Engineering. He then pursued his Chartered Accountancy training in an accounting firm in Dublin, Ireland. After successful completion of his professional examinations, he qualified as a Chartered Accountant and was admitted as a member of Chartered Accountants Ireland.

Upon his return to Malaysia after spending 15 years in the United Kingdom and Ireland, Mr Mahathir Bin Mahzan worked for BinaFikir, a local strategic advisory firm and subsidiary of Maybank Investment Bank.

Mr Mahathir Bin Mahzan is the Founding and Managing Partner of Mahzan Sulaiman PLT. He is also a Partner in MGI MR.

Mr Mahathir Bin Mahzan was appointed to the Board on 16 January 2023. He is the Chairman of the Audit Committee and a member of the Nominating Committee. His directorships in other listed issuers and public companies are as follows:

Listed issuers	:	1. OCK Group Berhad 2. Censof Holdings Berhad 3. Crest Builder Holdings Berhad
Public Companies	:	-

ADDITIONAL INFORMATION:-

- 1) Save for Puan Sri Datin Tan Swee Bee, who is the spouse of Tan Sri Dato' Tan Kay Hock, none of the Directors of the Company has any family relationship with any other Director and/or major shareholder of the Company.
- 2) None of the directors has any conflict of interest or potential conflict of interest, including any interest in any competing business with the Company or its subsidiaries.
- 3) None of the directors has any convictions for offences (other than traffic offence, if any) within the past five (5) years and none of them was imposed with any public sanction or penalty by relevant regulatory bodies during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT

SIA CHIN YAP

*General Manager - Operations
Johan Holdings Berhad*



Age
50



Gender
Male



Nationality
Malaysian

Mr. Sia Chin Yap first joined Johan Holdings Berhad in August 2004 as Assistant Manager - Internal Audit and was promoted to Manager - Internal Audit in August 2006, a post he held until September 2011. He re-joined Johan in July 2012 as Senior Manager - Internal Audit. In August 2021, he was appointed as General Manager - Operations to coordinate with all departments/operating units, ensure implementation of Standard Operating Procedures and Policies ("SOPs"), optimizing allocation of resources, identifying and find solutions for process improvement, and to implement Board/Top Management's business strategy/decisions.

He is an Associate member of the Chartered Institute of Management Accountants (CIMA), UK.

LEE TECK SIONG

*Senior Manager - Finance
Johan Holdings Berhad*



Age
54



Gender
Male



Nationality
Malaysian

Mr. Lee Teck Siong first joined Johan Holdings Berhad in November 2007 as an Assistant Accountant in the Finance Division and assumed various managerial positions in some of the Group operating subsidiaries. He has more than 23 years of experience in accounting, financial and operational management for various industries namely manufacturing, trading and retails. He is responsible for the Group's financial reporting and assist to oversee operating units' operation.

He is a member of the Malaysian Institute of Accountants.

PROFILE OF KEY SENIOR MANAGEMENT

cont'd

TIO YIT CHING

Director - Operations
Dynacare Sdn Bhd



Age
53



Gender
Male



Nationality
Malaysian

Mr Tio Yit Ching was appointed as the Senior General Manager of Dynacare Sdn Bhd on 23 June 2021 and was promoted to Director – Operations of Dynacare Sdn Bhd on 2 March 2022. He was formerly the General Manager, Operations of Johan Holdings Berhad from October 2010 to March 2018, where he was entrusted with the responsibility of overseeing the strategic planning and management of the ceramic tiles manufacturing operations of Prestige Assets Sdn Bhd, a wholly owned subsidiary of Johan. Thereafter, Mr Tio joined the Metering Operations in George Kent (Malaysia) Berhad from April 2018 to January 2019 to oversee the water meter manufacturing operations. Prior to joining Dynacare, he was attached to the Planning & Strategy department at Prasarana Malaysia Berhad where he held the position of Executive Vice President.

Mr Tio brings over 28 years of experience in strategic planning, financial, tax and general management at senior level covering various industries including manufacturing and public transportation.

He is a Fellow member of the Association of Chartered Certified Accountants and a Member of the Malaysian Institute of Accountants.

Additional Information:

- 1) None of the Key Senior Management personnel holds any directorship in public companies or listed issuers.
- 2) None of the Key Senior Management personnel has any family relationship with any director or major shareholder of the Company.
- 3) None of the Key Senior Management personnel has any conflict of interest or potential conflict of interest, including any interest in any competing business with the Company or its subsidiaries.
- 4) None of the Key Senior Management personnel has any convictions for offences (other than traffic offence, if any) within the past five (5) years and none of them was imposed with any public sanction or penalty by relevant regulatory bodies during the financial year.

LAU CHONG BENG, ERIC

General Manager
The Orient Star Resort, Lumut



Age
53



Gender
Male



Nationality
Malaysian

Mr Eric Lau Chong Beng joined The Orient Star Resort, Lumut as the Hotel Manager on 1 January 2019. Mr Eric Lau was promoted as the General Manager of The Orient Star Resort, Lumut on 1 August 2022. He is a STPM holder and has over 31 years of experience in the hotel industry.

FIVE-YEAR GROUP FINANCIAL HIGHLIGHTS

	Year/Period Ended				
	31-Jul-25	31-Jul-24	31-Jul-23	31-Jul-22	31-Jan-21
	RM'000	RM'000	RM'000 Restated	RM'000 Restated	RM'000
Income Statement					
Revenue from continuing operations	26,378	22,609	21,042	22,036	49,112
Profit/(Loss) Before Tax from continuing operations	885	(24,087)	(61,370)	(16,910)	(38,480)
Income Tax Credit/(Expense) from continuing operations	411	(194)	55	(33)	(684)
Profit/(Loss) for the year from continuing operations	1,296	(24,281)	(61,315)	(16,943)	(39,164)
Profit/(Loss) for the year from discontinued operations	-	-	-	-	200,220
Profit/(Loss) for the year/period	1,296	(24,281)	(61,315)	(16,943)	161,056
Statements of Financial Position					
Total non-current assets	301,417	205,625	203,797	230,631	163,719
Total current assets	61,838	64,524	80,218	108,397	139,250
Shareholders' fund	164,561	165,258	180,056	221,452	234,540
Non-controlling Interest	46,323	19,941	26,607	29,609	6,184
Shareholders' Equity	210,884	185,199	206,663	251,061	240,724
Total non-current liabilities	98,987	29,697	27,968	29,625	28,834
Total current liabilities	53,384	55,253	49,384	58,342	33,411
Share Information					
Per Ordinary Share					
Profit/(Loss), basic (sen)	(0.17)	(1.37)	(3.32)	(0.97)	22.89
Net assets (sen)	18.05	15.86	17.69	21.49	20.61
Share price as at 31 July/31 January (RM)	0.030	0.055	0.055	0.065	0.11
Financial Ratios					
Return on equity (%)	0.79	(14.69)	(34.05)	(7.65)	68.67
Net Debt-Equity ratio	0.33:1	0.07:1	N/A	0.05:1	N/A

Note 1 : Net Debt comprise current & non-current loan and borrowings, trade and other payables, funding from non-recourse investors' certificates and senior certificates less cash and bank balances.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) of Johan Holdings Berhad (“the Company”) remains committed to upholding the highest standards of corporate governance across the Company and its subsidiaries (“the Group”). The Board strives to ensure consistency in policies and practices throughout the Group, regardless of geographical location, as part of its responsibility to safeguard and enhance shareholders’ value while sustaining the Group’s financial performance.

The Board is pleased to present the Corporate Governance Overview Statement (“CG Statement”) for the financial year ended 31 July 2025, in respect of three (3) principles, namely:

- Board Leadership and Effectiveness;
- Effective Audit and Risk Management; and
- Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

This CG Statement should be read together with the Corporate Governance Report, which provides details on how the Company has applied the practices set out in the Malaysian Code on Corporate Governance 2021 (“MCCG”) during the financial year under review. In instances of departure from a particular practice, the explanation for the departure as well as the alternative practices adopted to achieve the intended outcome are disclosed in the Corporate Governance Report. The Corporate Governance Report is accessible on the Company’s website at www.johanholdings.com.

As at the date of this CG Statement, the Company has adopted and applied all recommended practices of the MCCG, save for Practices 1.3, 1.4, 5.2, 5.9 and 8.2, which are explained in the Corporate Governance Report.

Moving forward, the Board will continue to review, enhance and strengthen its corporate governance framework and practices in alignment with evolving best practices, with the objective of ensuring long-term value creation and sustainability for the Group.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

Roles and Responsibilities of the Board

The Board is responsible for the overall oversight and management of the Company. It remains accountable for the Company’s performance and for safeguarding and promoting the legitimate interests of the Company, its shareholders, and other stakeholders.

To assist in the discharge of its responsibilities, the Board has established the Audit Committee, Remuneration Committee and Nominating Committee (collectively, “Board Committees”). Each Board Committee operates within its respective terms of reference as approved by the Board, and reports to the Board on matters requiring its consideration and decision.

The Board has also reserved a formal schedule of matters requiring its deliberation and approval, thereby ensuring effective oversight of the Group’s strategic direction. The authority matrix clearly defines the matters and corresponding limits reserved for the Board’s approval, as well as those delegated to Management.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. Board Responsibilities *cont'd*

Role of the Chairman, Group Managing Director, Independent Directors and Senior Non-Executive Director

The Chairman also serves as the Chief Executive Officer of the Company. He provides leadership in guiding the Board and fostering constructive relations with shareholders and other stakeholders. He is responsible for promoting sound corporate governance practices, ensuring the effectiveness of the Board, and overseeing the long-term strategic planning of the Group.

The Group Managing Director assumes overall responsibility for managing the Group's business operations and for ensuring the effective implementation of the Group's business plans and policies as approved by the Board.

The Independent Directors play a vital role in providing objective, independent views, advice and judgement, thereby upholding corporate accountability. Their presence ensures an appropriate system of checks and balances, with all Board decisions reached through consensus.

The Board has designated Dato' Ahmad Khairummuzammil Bin Mohd Yusoff as the Senior Non-Executive Director, to whom shareholders and other stakeholders may convey their concerns.

Company Secretary

The Company Secretary advises the Board on the Company's Constitution, policies, procedures and compliance with the Companies Act, 2016, relevant regulations, and the Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"). The Company Secretary is qualified and competent in discharging the role, and continues to update knowledge through relevant trainings and seminars.

The Company Secretary also guides Directors on their statutory duties, including disclosure of interests and conflicts, compliance with restrictions on securities dealings, and confidentiality of price-sensitive information, while keeping the Board informed of updates to the Companies Act 2016 and the Listing Requirements.

Access to Information and Advice

All Directors receive the agenda and Board papers in advance of each meeting, with papers circulated at least five (5) market days prior to facilitate informed deliberations. The Board is provided with complete, timely and accurate information, and Senior Management is invited to attend meetings where necessary to provide clarification on matters tabled.

The Board convenes at least four (4) Board Meetings a year to review the Group's quarterly financial results and operational performance. Additional meetings are convened as and when necessary.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. Board Responsibilities *cont'd*

Access to Information and Advice *cont'd*

For the financial year ended 31 July 2025, the number of Board Meetings held and the attendance record of each Director are set out below:

Directors	No. of Meetings Attended/Held	Percentage of Attendance (%)
Tan Sri Dato' Tan Kay Hock	5/5	100
Puan Sri Datin Tan Swee Bee	5/5	100
Dato' Ahmad Khairummuzammil Bin Mohd Yusoff	5/5	100
Tan Poh Meng	5/5	100
Mahathir Bin Mahzan	5/5	100

The deliberations and decisions of the Board are properly recorded in the minutes, with updates on actions taken provided under matters arising for the Board's notation.

All Directors have unrestricted access to the advice and services of the Company Secretary and are kept informed of new statutory and regulatory requirements relevant to their duties. Where necessary, Directors may also seek independent professional advice, at the Company's expense, in consultation with the Chairman and the Board. Newly appointed Directors, if any, will be briefed by the Board, the Company Secretary and Management on the Group's nature of business as well as ongoing activities and any potential issues or developments.

Board Charter

The Board has adopted a Board Charter which provides guidance for Directors and Management regarding the responsibilities of the Board, Board Committee and the Management. The Board Charter is reviewed regularly to ensure it complies with legislation and best practices, and remains relevant and effective in light of the Board's objective. The Board Charter is available on the Company's website at www.johanholdings.com.

Code of Conduct and Ethics

The Board has adopted a Code of Conduct and Ethics as well as a Code of Ethics for Directors, with the aim of enhancing the standards of corporate governance and corporate behaviour across the Group. These Codes are intended to establish a standard of ethical behaviour founded on shared values and principles, provide guidance to Directors, management and employees in complying with applicable laws and regulations, and uphold professionalism, objectivity, transparency and accountability in line with legislation, regulatory requirements and the Group's commitment to environmental and social responsibility. These codes are published on the Company's website at www.johanholdings.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. Board Responsibilities *cont'd*

Whistleblowing Policy

The Board has established a Whistleblowing Policy to provide employees and stakeholders with a channel to report in good faith any unethical conduct, malpractice, unlawful acts or breaches of regulatory requirements. The Whistleblowing Policy is available on the Company's website at www.johanholdings.com.

Sustainability Policy

The Company has adopted a Sustainability Policy, underscoring its commitment to embedding sustainable business practices across the Group's operations. The Sustainability Policy is available on the Company's website at www.johanholdings.com.

Anti-Bribery and Corruption Policy and Procedures

The Board has adopted an Anti-Bribery and Corruption Policy and Procedures to reinforce the Group's commitment to conducting business with integrity, transparency and the highest ethical standards. The Policy is available on the Company's website at www.johanholdings.com.

Conflict of Interest Policy

The Board has adopted a Conflict of Interest Policy to guide Directors and management in identifying, disclosing and managing potential conflicts, thereby safeguarding integrity and accountability across the Group.

II. Board Composition

The Board currently comprises five (5) members as follows:-

- (i) Tan Sri Dato' Tan Kay Hock
Chairman and Chief Executive
- (ii) Puan Sri Datin Tan Swee Bee
Group Managing Director
- (iii) Dato' Ahmad Khairummuzammil Bin Mohd Yusoff
Non-Independent Non-Executive Director
- (iv) Tan Poh Meng
Independent Non-Executive Director
- (v) Mahathir Bin Mahzan
Independent Non-Executive Director

The Board's current composition complies with the Listing Requirements, which mandate that at least one (1) Director must be a woman and that a minimum of two (2) Directors or one-third of the Board, whichever is higher, must be independent.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

II. Board Composition *cont'd*

Collectively, the Directors bring diverse expertise, skills and knowledge in areas including law, economics, accounting and general management. Their detailed profiles are set out on pages 39 to 41 of this Annual Report.

Pursuant to the Company's Constitution, at least one-third of the Directors, including the Managing Director, are subject to retirement by rotation at each Annual General Meeting ("AGM") and shall be eligible for re-election. In addition, all Directors are required to retire from office at least once in every three (3) years but may offer themselves for re-election, with such re-elections subject to the approval of shareholders at the AGM.

Tenure of Independent Directors

The Board recognises and is guided by the MCCG best practice, which stipulates that the tenure of an Independent Director should not exceed nine (9) years. Upon completion of this term, an Independent Director may continue to serve on the Board in the capacity of a Non-Independent Director. Should the Board wish to retain an Independent Director beyond the nine-year tenure, it will provide the necessary justifications and seek annual approval from shareholders.

None of the Independent Directors of the Company had served on the Board for more than nine (9) years.

Board and Senior Management Diversity

The Board does not prescribe a specific target for women representation at Board or Senior Management levels. The nomination and appointment of Directors are guided primarily by the criteria set out in the Directors' Fit and Proper Policy, to ensure that the Board comprises individuals with the right mix of skills, experience and competencies, and who are able to commit sufficient time to discharge their responsibilities effectively. In addition, diversity in terms of gender, skills, experience, age and cultural background is taken as an important consideration in both Director and Senior Management appointments.

The Company has also established a Diversity and Inclusion Policy to demonstrate its commitment to promoting diversity at both the workforce and Board levels. This policy sets out, among others, the strategies and measures to promote gender diversity in the appointment of Directors and Senior Management.

Currently, Puan Sri Datin Tan Swee Bee is the sole woman Director on the Board comprising of five (5) Directors, and about 8% of the Senior Management positions of the Group are held by women. The Board remains committed to ensuring that gender, ethnicity and age diversity continue to be considered in recruitment and succession planning at both Board and Senior Management levels. Further details on workforce diversity are provided in the Sustainability Statement on pages 7 to 38 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

II. Board Composition *cont'd*

Nominating Committee

Currently, the Nominating Committee comprises the following members:-

- (i) Tan Poh Meng - Chairman
Independent Non-Executive Director
- (ii) Dato' Ahmad Khairummuzammil Bin Mohd Yusoff
Non-Independent Non-Executive Director
- (iii) Mahathir Bin Mahzan
Independent Non-Executive Director

The Nominating Committee's Terms of Reference set out the authority delegated by the Board to oversee the selection and evaluation of Directors. The Committee shall:

- (i) recommend to the Board the appointment of new Directors;
- (ii) review the effectiveness of the Board as a whole, its Committees, and the contributions of individual Directors, taking into account the appropriate Board size, the balance between Executive, Non-Executive, and Independent Directors, as well as the required mix of skills and core competencies;
- (iii) evaluate the independence of Independent Directors to ensure they continue to provide impartial and objective judgment in Board discussions; and
- (iv) recommend to the Board if an Independent Director who has served on the Board for more than nine (9) years is justifiable to remain independent on the Board.

Directors' Fit and Proper Policy

The Board has adopted a Fit and Proper Policy to guide both the Nominating Committee and the Board in reviewing and assessing candidates for appointment to the Board, as well as Directors seeking re-election. This ensures that each Director possesses the character, experience, integrity, competence, and time necessary to effectively fulfill their role within the Company. The Directors' Fit and Proper Policy is available on the Company's website at www.johanholdings.com. In addition, the Nominating Committee and the Board take into account diversity of skills, experience, gender, age, ethnicity, and race in the nomination and appointment of Directors, in line with the Company's Diversity and Inclusion Policy.

All Directors, including those retiring by rotation, completed the annual self-evaluation assessment to review their fitness and propriety, personality, performance, and contributions based on their service during the financial year ended 31 July 2025. The Nominating Committee and the Board's recommendations on the re-election of retiring Directors were made based on the satisfactory outcomes of these assessments. Further details of the annual self-evaluation process are provided in the following section and in the Corporate Governance Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

II. Board Composition *cont'd*

Annual Assessment and Evaluation of the Board, Board Committee and Individual Directors

The Nominating Committee conducts an annual review of the effectiveness of the Board and its Committees, the performance and contribution of each individual Director, and the independence of the Independent Directors. The annual assessment includes Directors' self-evaluations to assess their fitness and propriety, calibre, and personality.

For the financial year ended 31 July 2025, the Nominating Committee completed the annual assessment and was satisfied that the Board and its Committees are effective overall, considering the required mix of skills, size, and composition. The Committee was also satisfied that each Director possesses the character, experience, integrity, competence, and sufficient time to effectively discharge their respective roles. Additionally, the Committee confirmed that all Independent Directors meet the independence criteria set out in the Listing Requirements and continue to provide independent and objective judgment in Board deliberations. Based on these assessments, the Nominating Committee recommended to the Board the re-election of Directors due for retirement, subject to shareholders' approval at the forthcoming Annual General Meeting.

Directors' Training

The Board members participated in various talks, seminars, workshops, briefings, and in-house conferences to update and enhance their skills and knowledge, and to stay informed of regulatory developments, corporate governance updates, Listing Requirements, accounting standards, and best practices.

The training programmes attended by the Directors during the year were as follows:

Name of Director	Programme
1. Tan Sri Dato' Tan Kay Hock	Webinar "Developing a robust Enterprise Risk Management Framework & recent amendments to Bursa's Listing Requirements on ESG Reporting"
2. Puan Sri Datin Tan Swee Bee	Webinar "Developing a robust Enterprise Risk Management Framework & recent amendments to Bursa's Listing Requirements on ESG Reporting"
3. Dato' Ahmad Khairummuzammil Bin Mohd Yusoff	Webinar "Developing a robust Enterprise Risk Management Framework & recent amendments to Bursa's Listing Requirements on ESG Reporting"
4. Tan Poh Meng	Webinar "Developing a robust Enterprise Risk Management Framework & recent amendments to Bursa's Listing Requirements on ESG Reporting"
5. Mahathir Bin Mahzan	Webinar "Developing a robust Enterprise Risk Management Framework & recent amendments to Bursa's Listing Requirements on ESG Reporting"
	MIA Webinar "Fundamental Data Analytics for Accountants"
	CTIM Webinar "Capital Gains Tax and Real Property Gains Tax"

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS cont'd

III. Remuneration

Remuneration Committee

The Remuneration Committee comprises of two (2) Non-Executive Directors and one (1) Executive Director. The members are as follows:

- (i) Puan Sri Datin Tan Swee Bee - Chairperson
Group Managing Director
- (ii) Dato' Ahmad Khairummuzammil Bin Mohd Yusoff
Non-Independent Non-Executive Director
- (iii) Tan Poh Meng
Independent Non-Executive Director

The primary responsibility of the Remuneration Committee is to recommend to the Board the remuneration packages and terms of employment for Executive Directors. The determination of fees for Non-Executive Directors is reserved for the Board as a whole, with any Director abstaining from decisions on their own remuneration. The Committee is also responsible for developing the Group's remuneration policy and determining the remuneration packages for senior executives.

Director remuneration is set at levels that enable the Company to attract and retain individuals with the necessary experience and expertise to manage the Group effectively. Non-Executive Directors receive annual basic fees, subject to shareholders' approval at the Annual General Meeting. The Chairman of the Audit Committee receives an attendance allowance of RM1,500 per meeting, while other Audit Committee members receive RM1,000 per meeting.

Details of the aggregate remuneration of Directors for the financial year ended 31 July 2025 are as follows:

	Company				Group
	Fees (RM'000)	Salaries & Other Emoluments (RM'000)	Benefits- In-Kind (RM'000)	Total (RM'000)	Total (RM'000)
<u>Executive Directors</u>					
Tan Sri Dato' Tan Kay Hock	-	120	85	205	205
Puan Sri Datin Tan Swee Bee	-	630	-	630	630
<u>Non-Executive Directors</u>					
Dato' Ahmad Khairummuzammil Bin Mohd Yusoff	50	4	-	54	54
Tan Poh Meng	50	4	-	54	54
Mahathir Bin Mahzan	50	11	-	61	61
	150	769	85	1,004	1,004

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

The Board ensures that shareholders receive a balanced and clear assessment of the Group's financial position and performance through the issuance of annual Audited Financial Statements and quarterly financial reports. The Audit Committee assists the Board in overseeing the Group's financial reporting by reviewing quarterly reports and annual Audited Financial Statements to ensure compliance with the Companies Act 2016 and all applicable accounting standards, prior to recommending them for Board approval and issuance to shareholders.

The Audit Committee comprises of three (3) Non-Executive Directors, the majority of whom are Independent. It is chaired by Mr Mahathir Bin Mahzan, an Independent Non-Executive Director who is not the Chairman of the Board. The Board, via the Nominating Committee, conducts an annual review of the Audit Committee's performance and effectiveness. Based on the evaluation for the financial year ended 31 July 2025, the Board is satisfied that the Audit Committee and its members have discharged their duties effectively and in accordance with its Terms of Reference.

The Terms of Reference of the Audit Committee are available on the Company's website at www.johanholdings.com.

Procedures are in place for the Audit Committee to annually assess the suitability, objectivity, and independence of the Company's External Auditors. Following the evaluation for the financial year ended 31 July 2025, the Audit Committee was satisfied that Baker Tilly Monteiro Heng PLT performed their duties independently, competently, and effectively. The Committee also obtained assurance from Baker Tilly Monteiro Heng PLT confirming that they have remained independent throughout the audit engagement. The audit partner responsible for the Group's external audit is subject to rotation at least every seven (7) financial years.

For details on the Audit Committee's composition, attendance record, and summary of activities, please refer to the Audit Committee Report on pages 57 to 59 of this Annual Report.

II. Risk Management and Internal Control Framework

The Board acknowledges its overarching responsibility to ensure that a sound framework of risk management and internal control is established and consistently maintained throughout the Group, with its effectiveness subject to regular review. While the Board recognises that risks cannot be entirely eliminated, the system of internal controls implemented is intended to manage and mitigate such risks, thereby providing reasonable assurance that the assets of the Company and the Group are safeguarded against material loss or unauthorised use, and that the financial statements are free from material misstatement.

The Board has set up a Risk Management Committee comprises the following members:-

- (i) Tan Sri Dato' Tan Kay Hock – Chairman
Chairman & Chief Executive
- (ii) Puan Sri Datin Tan Swee Bee
Group Managing Director
- (iii) Sia Chin Yap
General Manager – Operations
- (iv) Lee Teck Siong
Senior Manager – Finance

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT *cont'd*

II. Risk Management and Internal Control Framework *cont'd*

The Risk Management Committee is responsible for overseeing the Group's overall risk management, with particular focus on the strategic areas of the business. It is supported by sub-Risk Management Committees established at the respective business units, which are tasked with identifying, managing, and mitigating risks through systematic risk evaluation and profiling exercises. The Risk Profiles of the business units are reviewed and updated on a half-yearly basis and submitted to the Risk Management Committee for consideration. Subsequently, the consolidated Risk Scorecard and Risk Register are presented to the Audit Committee for further deliberation on a half-yearly basis. Details of the Group's Risk Management Framework are disclosed in the Statement on Risk Management and Internal Control on pages 60 to 63 of this Annual Report.

The Group also maintains an independent internal audit function that reports directly to the Audit Committee. Internal audit findings of the Group's operating units, as well as investigations conducted by the internal audit department, are tabled at Audit Committee meetings. A statement on the Internal Audit Function, with the required disclosures, is included in the Audit Committee Report of this Annual Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Communication with Stakeholders

The Board recognises the importance of keeping shareholders and other stakeholders informed of all material business matters and developments concerning the Group. In addition to the various announcements made during the year, the Board has ensured the timely release of quarterly financial results, providing shareholders with a clear overview of the Group's performance and operations.

The Board has established Corporate Disclosure Policies and Procedures to ensure that corporate information is disclosed in an accurate, timely, consistent, and equitable manner. Such disclosures enable investors to make informed and orderly market decisions.

In discharging its disclosure obligations, the Board is guided by the Corporate Disclosure Guide issued by Bursa Malaysia Securities Berhad. The Guide serves to provide shareholders and investors with comprehensive, accurate, and high-quality information on a timely and equitable basis.

The Group's corporate information is also available on the Company's website at www.johanholdings.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS *cont'd*

II. Conduct of General Meeting

The Annual General Meeting serves as the principal forum for communication between the Company and its shareholders. Shareholders who are unable to attend may appoint up to two (2) proxies, who need not be shareholders, to attend and vote on their behalf. The Board actively encourages shareholder participation at the Annual General Meeting and ensures the presence of Board members, Senior Management, and the External Auditors to address any queries. All resolutions set out in the Notice of Annual General Meeting are voted on by way of poll in accordance with Paragraph 8.29A of the Listing Requirements, with each shareholder present in person, by proxy, by attorney, or by authorised representative entitled to one vote for each share held. In line with the best practices of the MCGG, the Board has provided more than 28 days' notice for the forthcoming Annual General Meeting to allow shareholders sufficient time to review the Annual Report, consider the proposed resolutions, and make the necessary attendance and voting arrangements.

The Company convened its Ninety-Ninth Annual General Meeting on 9 January 2025 virtually. Shareholders were invited to submit questions to the Board and Management in advance, and all such questions, together with the corresponding responses, were presented during the live-streamed Annual General Meeting's Question-and-Answer session. Additional questions submitted via the online meeting platform during the AGM were also duly addressed. Shareholders exercised their voting rights electronically in real time through remote participation and voting facilities, and the poll results were announced to Bursa Malaysia Securities Berhad at the close of the meeting day. The Minutes of the meeting were subsequently published on the Company's website for shareholders' reference.

The CG Statement together with the Corporate Governance Report were approved by the Board on 18 November 2025.

DIRECTORS' RESPONSIBILITY IN FINANCIAL REPORTING

The Board acknowledges their responsibility to ensure that the financial statements of the Company and the Group are prepared in accordance with the provisions of the Companies Act, 2016 and approved accounting standards in Malaysia, so as to give a true and fair view of the state of affairs and the result of the Company and of the Group.

In preparing these financial statements, the Directors have:-

- adopted suitable accounting policies and applying them consistently;
- made judgement and estimates that are prudent and reasonable;
- ensured applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and the Group, and to enable them to ensure that the financial statements are prepared in compliance with the Companies Act, 2016. In addition, the Directors are responsible for safeguarding the assets of the Company and the Group, and must take reasonable steps for the prevention and detection of fraud and other irregularities.

AUDIT COMMITTEE REPORT

A. MEMBERS

The Audit Committee ("AC") comprises the following members, all of whom are Non-Executive Directors, with a majority being Independent Directors:

- (i) Mahathir Bin Mahzan - Chairman
Independent Non-Executive Director
- (ii) Dato' Ahmad Khairummuzammil Bin Mohd Yusoff
Non-Independent Non-Executive Director
- (iii) Tan Poh Meng
Independent Non-Executive Director

The composition of the AC is in compliance with Paragraphs 15.09 and 15.10 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements").

B. MEETINGS

The AC held five (5) meetings during the financial year ended 31 July 2025. The details of members' attendance are as follows:

	No. of Meetings Attended/Held	Percentage of Attendance (%)
Mahathir Bin Mahzan (<i>Chairman</i>)	5/5	100
Dato' Ahmad Khairummuzammil Bin Mohd Yusoff	5/5	100
Tan Poh Meng	5/5	100

At the AC Meetings, the Executive Directors, General Manager – Operations, Senior Manager – Finance, Manager – Internal Audit and representatives of the External Auditors were invited to provide clarification on the unaudited quarterly financial statements, audit-related matters, and internal audit reports.

Following each AC Meeting, the Chairman of the AC reported to the Board on matters requiring its consideration and approval, including the AC's recommendation for the approval of the unaudited quarterly financial statements for release to Bursa Malaysia Securities Berhad.

AUDIT COMMITTEE REPORT

cont'd

C. ACTIVITIES

In line with its Terms of Reference, the AC carried out the following activities during the financial year ended 31 July 2025 in the discharge of its functions and duties:-

- i) Reviewed the quarterly financial results of the Group including the draft announcements pertaining thereto, and made recommendations to the Board for approval. The reviews, served to ensure that the Company's financial reporting and disclosures present a true and fair view of the Company's financial position and performance and are in compliance with the Listing Requirements and applicable accounting standards in Malaysia;
- ii) Reviewed the results and reported issues arising from the annual statutory audit, as well as the Management's responses to the audit findings;
- iii) Reviewed and recommended to the Board for approval, the annual Audited Financial Statements of the Company to ensure that it presented a true and fair view of the Company's financial position and performance for the year and compliance with all applicable accounting standards, regulatory and other legal requirements;
- iv) Reviewed with the External Auditors their audit plan for the year, outlining the audit scope, methodology and timetable, audit materiality, areas of focus, fraud risk assessment and proposed fees for the audit and non-audit services rendered by the External Auditors;
- v) Met with the External Auditors twice without the presence of Management during the year under review;
- vi) Reviewed and approved the internal audit plan for the year to ensure adequate scope and comprehensive coverage of the Group's activities and sufficient resources within the internal audit team to carry out the audit works;
- vii) Reviewed the internal audit reports issued by the internal audit department and monitored the implementation of management action plan on outstanding issues on a quarterly basis to ensure that all key risks and control weaknesses are being properly addressed;
- viii) Reviewed the risk profile of the respective business units to ensure the risk being properly managed and mitigated;
- ix) Reviewed the related party transactions entered into by the Group to ensure that current procedures for monitoring of related party transactions have been complied with;
- x) Assessed and reviewed any actual or potential conflict of interest situations that arose, persist or may arise, and to consider and determine measures to resolve, eliminate or mitigate such conflicts.

The AC reviewed the annual conflict of interest declaration submitted by the Directors and Key Senior Management. Apart from the family relationship and related party transactions involving the Directors, as disclosed in this Annual Report, no conflict of interest was identified during the financial year.

AUDIT COMMITTEE REPORT

cont'd

D. INTERNAL AUDIT FUNCTION

Since December 1990, Johan had established an Internal Audit department to carry out internal audit function of the Group's key operations in Malaysia and overseas. The scope of internal audit works is conducted on a rotation basis and as and when directed by the management. The internal audit reports were reviewed and discussed at each of the AC Meetings to assist the AC to discharge its functions effectively.

Ms Loh Bee Lay, the Manager - Internal Audit, is responsible for providing independent audit and value-added assurance and advises to the Group. She has more than 21 years of experience in internal audit. She is free from any relationship or conflict of interest, which could impair her objectivity and independence.

The Internal Audit Charter defines the authority, duties and responsibilities of internal audit function, giving internal audit personnel unrestricted access to all activities across the Group. The internal audit function mainly to review, monitor and ensure compliance with the Group's policies and procedures, as well as the applicable laws and regulations, and to review the adequacy and effectiveness of the system of internal controls by assessing such controls and procedures in place. Audit reports incorporating the audit findings, recommendations to improve on the control weaknesses, management's comments and action plan to rectify the significant weaknesses on the findings are presented to the AC in a timely manner for their review.

The annual Internal Audit plan is approved by the AC at the beginning of each financial year. The AC also reviews the adequacy of the scope, function, competency and resources of the internal audit function.

Internal Audit Department adopts a risk-based approach to plan and conduct of their audit. The routine audits on the operating units within the Group are carried out with the emphasis on the principal risk areas. The internal audit team is independent and has no involvement in the operations of Group companies.

The total cost incurred for the internal audit function for the financial year ended 31 July 2025 was RM170,651 (financial year ended 31 July 2024 : RM162,610).

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Malaysian Code on Corporate Governance 2021 requires the board of directors of a listed company to maintain a sound framework of risk management and internal controls to safeguard shareholders' investments and assets of the Group.

The Board of Directors ("the Board") is pleased to present this Statement on Risk Management and Internal Control for the financial year ended 31 July 2025 which was prepared pursuant to paragraph 15.26(b) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers issued by the Taskforce on Internal Control with the support and endorsement of Bursa Securities.

The statement below outlines the nature and scope of risk management and internal control system of the Company during the financial year ended 31 July 2025.

BOARD'S RESPONSIBILITIES

The Board acknowledges its overall responsibility for the Group's risk management and internal control environment, which includes the establishment of an appropriate risk and control framework as well as the review of its effectiveness in safeguarding shareholders' interests and the Group's assets. The Board believes that the risk management and internal control framework is designed to manage rather than eliminate the risk of failure in achieving its corporate goals and objectives, and therefore only provide reasonable but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud.

RISK MANAGEMENT FRAMEWORK

The Board has established an ongoing process for identifying, measuring, evaluating and managing the significant risks faced by the Group in its achievement of objectives and strategies and this process includes enhancing the risk management and internal control system as and when there are changes to the business environment or regulatory guidelines. In order to align with the dynamic changes in the business environment, the system of risk management and internal control instituted throughout the Group is reviewed and updated on a periodic basis to ensure its continued effectiveness, adequacy and integrity. This process has been in place throughout the year under review and carried out in the following perspective:-

- **Board of Directors**

The Board is fully responsible in determining the Group's risk appetite and level of risk exposure. In its regular Board Meetings, significant risk and material issues are brought to the attention of Directors which require decision to be made. To safeguard shareholders' interest and the Group's assets, the Board ensure that business risks are identified, assessed and managed, in the Group's strategic planning and decision making process.

- **Audit Committee**

The Audit Committee ("AC") is assisted by an in-house Internal Audit Department ("IAD") which performs regular independent reviews, monitor and ensure compliance with the Group's policies, procedures and systems of risk management and internal control. The AC, in every AC Meeting, review internal audit reports for the Group prepared by the IAD. It will consider major findings of the internal auditors and management response thereto. Monitoring on the corrective actions of any outstanding audit issues are ongoing to ensure that all the risks and control lapses have been addressed.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

RISK MANAGEMENT FRAMEWORK *cont'd*

- **Risk Management Committee**

The Risk Management Committee (“RMC”) was set up by the Board in September 2002. The RMC, assisted by the IAD, identifies, evaluates and manages significant risk faced by the Group.

The Risk Management Policy of the Group is in place to ensure a systematic approach to identify key risks faced by the Group and to monitor them on a regular basis. Key risks to each business unit’s objectives are identified and scored based on a matrix for likelihood of the risks occurring and the magnitude of the impact. The policy helps to determine the appropriate risk appetite or level of exposure for the Group. The risk appetite for the Johan Group may be controllable and uncontrollable and it depends on several factors such as knowledge of the matter, past experience and magnitude of potential gains/losses.

A detailed risk register/scorecard of risks identified with appropriate controls has been created. The risk profiles of the respective business units are updated every six months to reflect the prevailing operating conditions.

Risk Profiles are submitted by the RMC of operating subsidiaries on a half year basis to be reviewed by the Head Office RMC. The Risk Profiles are also presented to the AC periodically. Any major changes to risks or emerging significant risk of the business units in the Group together with the appropriate actions and/or strategies to be taken, will be brought to the attention of the AC.

- **All operating business units**

Standard operating policies and procedures (SOPP) were formalised to guide the operations of the Group’s operating business units. It documents how transactions are captured and where internal controls are applied. In addition, as part of the performance monitoring process, management information in the form of annual budgets, revised forecasts, quarterly management accounts and monthly management reports are submitted to the Head Office Finance Department for review and onward presentation to the Board for review and approval.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

INTERNAL CONTROL FRAMEWORK

The Board acknowledges that a sound system of internal control forms part of the good governance practice and risk management forms part of the internal control. The following key elements constitute a controlled environment which shall encompass the System of Internal Control of the Johan Group:-

- Organisational structures in place for each operating unit with clearly defined levels of authority.
- Operational management has clear responsibility for identifying risks affecting their business and for instituting adequate procedures and internal controls to mitigate and monitor such risks on an ongoing basis.
- The SOPP of each business units sets out clear definition of authorisation procedures and clear line of accountability, with strict authorisation, approval and control within the Group.
- The Group has in place a Management Information System in which management and financial reports are generated regularly to facilitate the Board and the Group's Management in performing financial and operating reviews of the various operating units.
- The IAD, staffed by professionally qualified personnel who is independent and has no involvement in the operations of Group companies, provides the AC with reasonable independent assurance on the effectiveness and integrity of the Group's system of internal control. For the financial year ended 31 July 2025, the major internal audit activities undertaken during the year are as follows:
 - Developed a risk-based annual audit plan;
 - Reviewed the adequacy and effectiveness of internal control processes;
 - Reviewed compliance with established policies and procedures and statutory requirements;
 - Performed financial and operational audits in major subsidiaries;
 - Carried out ad-hoc assignments requested by Senior Management; and
 - Followed-up on the implementation of Management Action Plan to ensure that necessary actions have been taken/are being taken to remedy any significant findings and weaknesses.
- The duty of reviewing and monitoring the effectiveness of the Group's system of internal control was vested to the AC which provides independent views. Periodic reports from the IAD to the AC recommend remedial action to be taken by the Management.
- The existence of the RMC to oversee the overall risk management holds responsibility to identify, assessing, managing and monitoring significant risk within the Group.

The Board, however, recognises that a sound system of internal control will reduce, but cannot eliminate the possibility of poor judgement in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

REVIEW OF EFFECTIVENESS

The Board is satisfied with the procedures outlined above and believes, with assurance from the Chairman & Chief Executive Officer and Senior Finance Manager that, the risk management and system of internal controls had continued to operate adequately and effectively in the financial year under review.

The Board also relies on the assessment by internal auditors to evaluate the state of internal controls and risk management at each operating unit. The Board is committed to the continuous improvement of internal controls and risk management practices within the Group to meet its business objectives.

REVIEW OF THIS STATEMENT

Pursuant to Paragraph 15.23 of the Listing Requirements, the External Auditors have reviewed this Statement for inclusion in the 2025 Annual Report, and reported to the Board that nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is this statement factually inaccurate.

CONCLUSION

The Board is of the view that the systems of risk management and internal control is in place for the year under review, and up to the date of approval of this Statement, is sound and adequate to safeguard the shareholders' investment, the interests of customers, regulators, employees and other stakeholders, and the Group's assets.

There was no significant weakness in the systems of risk management and internal control, contingencies or uncertainties that could result in material loss and adversely effect on the financial results of the Group for the financial year under review and up to the date of issuance of the financial statements. The Group continues to take necessary measures to strengthen its internal control structure and management of risks, taking into consideration the changing and challenging business environment. Therefore, the Board will, when necessary, put in place appropriate action plans to further enhance the system of risk management and internal control.

This statement is made in respect of the financial year ended 31 July 2025 and in accordance with a resolution of the Board of Directors' dated 18 November 2025.

ADDITIONAL INFORMATION

UTILISATION OF PROCEEDS RAISED FROM ANY CORPORATE PROPOSAL

Disposal of Land by Prestige Assets Sdn Bhd

	Proposed Utilisation (RM'000)	Actual Utilisation as at 31 July 2025 (RM'000)	Balance Unutilised (RM'000)
Repayment of term loan	14,750	14,750	-
Investment/business opportunities	26,000	26,000	-
General working capital of Johan Group	10,084	10,084	-
Expenses for the Disposal	12,166	12,166	-
General working capital	42,428	36,813	5,615
Total	105,428	99,813	5,615

AUDIT AND NON-AUDIT FEES

The details of the audit and non-audit fees paid or payable for the financial year ended 31 July 2025 to the Company's External Auditors and firm affiliated to the External Auditors are set out below:

	Group (RM'000)	Company (RM'000)
Audit fees	282	97
Non-audit fees		
- Review of Statement on Risk Management and Internal Control	5	5

MATERIAL CONTRACTS

There were no material contracts entered into by the Company and/or its subsidiary companies involving the interest of Directors and major shareholders, either still subsisting at the end of the financial year ended 31 July 2025 or entered into since the end of the previous financial year end.

A black and white photograph of a desk. In the top left, a pair of black-rimmed glasses lies on a dark wooden surface. Below the glasses is a black calculator with a small '10 digit' label. To the left of the calculator are three silver paper clips. In the bottom center, a clear ballpoint pen with a black grip lies horizontally. Several white sheets of paper are scattered across the desk, with the title and table of contents printed on one of them.

Financial Statements

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DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 July 2025.

PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiaries include manufacturing and dealing of rubber gloves and medical personal protection equipment, provision of secretarial and management services, general trading and operation of hotel and resort related business.

There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit/(Loss) for the financial year, net of tax	1,296	(6,586)
Attributable to:		
Owners of the Company	(2,042)	(6,586)
Non-controlling interests	3,338	-
	1,296	(6,586)

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year.

The directors do not recommend the payment of any dividends in respect of the financial year ended 31 July 2025.

RESERVES OR PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

DIRECTORS' REPORT

cont'd

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render the amount written off as bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:

- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and
- (ii) any contingent liabilities in respect of the Group or of the Company which has arisen since the end of the financial year.

In the opinion of the directors, no contingent or other liability of the Group or of the Company has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

DIRECTORS' REPORT

cont'd

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors,

- (i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

AUDITORS' REMUNERATION

The auditors' remuneration of the Group and of the Company during the financial year are RM353,000 and RM102,000 respectively.

ISSUE OF SHARES AND DEBENTURES

During the financial year, no new issue of shares and debentures were made by the Company.

DIRECTORS

The directors in office during the financial year and during the period from the end of the financial year to the date of this report are:

Tan Sri Dato' Tan Kay Hock*
Puan Sri Datin Tan Swee Bee*
Dato' Ahmad Khairummuzammil Bin Mohd Yusoff
Tan Poh Meng
Mahathir Bin Mahzan

* *Directors of the Company and certain subsidiaries*

DIRECTORS' REPORT

cont'd

DIRECTORS *cont'd*

Other than as stated above, the names of the directors of the subsidiaries of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Teh Yong Fah
 Lee Teck Siong
 Tan Seng Kee
 Tio Yit Ching
 Lau Chong Beng
 Sia Chin Yap
 Muhammad Yazurin Sallij Bin Muhammad Yasin (Appointed on 7 May 2025)

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares			
	At 1 August 2024	Bought	Sold	At 31 July 2025
Interests in the Company				
Indirect interests:				
Tan Sri Dato' Tan Kay Hock **	708,676,584	-	-	708,676,584
Puan Sri Datin Tan Swee Bee **	708,676,584	-	-	708,676,584
Interests in the holding company				
- Sky Wealth Ventures Limited				
Direct interests:				
Tan Sri Dato' Tan Kay Hock and Puan Sri Datin Tan Swee Bee (Joint holders)	2	-	-	2

* Deemed interested by virtue of the interest in the shares of the holding company

Shares held through Company in which the directors have substantial financial interest

By virtue of their interests in the ordinary shares of the Company and pursuant to Section 8 of the Companies Act 2016 in Malaysia, Tan Sri Dato' Tan Kay Hock and Puan Sri Datin Tan Swee Bee are deemed to have an interest in the ordinary shares of the subsidiaries to the extent that the Company has an interest.

Other than as stated above, none of the other directors in office at the end of the financial year had any interest in ordinary shares or debentures of the Company and its related corporations during the financial year.

DIRECTORS' REPORT

cont'd

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable, by the directors as shown below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

The directors' benefits of the Group and of the Company are as follows:

	2025	
	Group	Company
	RM'000	RM'000
Directors of the Company		
- Salaries and other related costs	919	919
- Estimated money value of benefits-in-kind	85	85
	1,004	1,004

Neither during, nor at the end of the financial year, was the Company a party to any arrangements where the object is to enable the directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial year, the total amount of indemnity insurance coverage and insurance premium paid for the directors and certain officers of the Group and of the Company were RM5,000,000 and RM20,000 respectively.

ULTIMATE HOLDING COMPANY

The directors regard Sky Wealth Ventures Limited, a company incorporated in British Virgin Islands, as the ultimate holding company of the Company.

DIRECTORS' REPORT

cont'd

SUBSIDIARIES

The details of the Company's subsidiaries are as follows:

	Principal place of business/ Country of incorporation	Effective equity interest		
Name of company		2025	2024	Principal activities
Direct subsidiaries				
Johan Management Services Sdn. Bhd.	Malaysia	100%	100%	Provision of secretarial and management services
Johan Land Sdn. Bhd.	Malaysia	100%	100%	Property development and investment holding
Johan Properties Sdn. Bhd.	Malaysia	100%	100%	Property holding and investment
Johan Equities Sdn. Bhd.	Malaysia	100%	100%	Investment trading
Johan Pasifik Sdn. Bhd.	Malaysia	100%	100%	Investment holding
Prestige Assets Sdn. Bhd.	Malaysia	100%	100%	Property investment
William Jacks & Company (Malaysia) Sdn. Bhd.	Malaysia	100%	100%	Investment holding, provision of data processing services and trading of engineering and building material
Nature's Farm (Health Foods) Sdn. Bhd.	Malaysia	100%	100%	Trading in health foods and supplements
Johan Capital Sdn. Bhd.	Malaysia	100%	100%	Investment holding and management services
JCC Equities Sdn. Bhd.	Malaysia	100%	100%	Inactive
Johan Nominees (Tempatan) Sdn. Bhd.	Malaysia	100%	100%	Inactive
Dynacare Sdn. Bhd.	Malaysia	60%	60%	Manufacturing and dealing of rubber gloves and medical personal protection equipment
AIH Holdings Ltd.	Hong Kong	100%	100%	Investment holding and management services
Johan International Limited	Hong Kong	100%	100%	Investment holding

DIRECTORS' REPORT

cont'd

SUBSIDIARIES *cont'd*

	Principal place of business/ Country of incorporation	Effective equity interest		
Name of company		2025	2024	Principal activities
Subsidiaries of William Jacks & Company (Malaysia) Sdn. Bhd.				
Jacks Edar Sdn. Bhd.	Malaysia	100%	100%	Inactive
WJM Trading Sdn. Bhd.	Malaysia	100%	100%	General trading
Subsidiary of Nature's Farm (Health Foods) Sdn. Bhd.				
Vitamin World Sdn. Bhd.	Malaysia	100%	100%	Inactive
Subsidiaries of Johan Capital Sdn. Bhd.				
Johan Leasing Sdn. Bhd.	Malaysia	100%	100%	Inactive
Strategic Usage Sdn. Bhd.	Malaysia	100%	100%	Investment holding
J Capital Investments Pte. Ltd.	Singapore	100%	100%	Ticketing and tour management solution provider
Subsidiary of Strategic Usage Sdn. Bhd.				
Diners Club (Malaysia) Sdn. Bhd.	Malaysia	100%	100%	Ceased its card activities as processor for Diners Club issued by overseas franchisees and currently, it continues to collect outstanding principal and earns interest income from outstanding cardholders
Subsidiaries of Diners Club (Malaysia) Sdn. Bhd.				
Diners World Travel (Malaysia) Sdn. Bhd.	Malaysia	100%	100%	Ticketing and tour management solution provider
Lumut Park Resort Sdn. Bhd.	Malaysia	80%	80%	Property development and operation of hotel and resort related business

DIRECTORS' REPORT

cont'd

SUBSIDIARIES *cont'd*

Name of company	Principal place of business/ Country of incorporation	Effective equity interest		Principal activities
		2025	2024	
Subsidiary of Johan Land Sdn. Bhd.				
Mustika Resort Sdn. Bhd.	Malaysia	85%	85%	Inactive
Subsidiary of Johan Pasifik Sdn. Bhd.				
Lumut Marine Resort Bhd.	Malaysia	70%	70%	Inactive
Subsidiary of AIH Holdings Ltd.				
Abacus Pacific N.V.	The Netherlands	100%	100%	Investment holding
Subsidiary of Abacus Pacific N.V.				
Johan Investment Private Limited	Singapore	100%	100%	Investment holding
Subsidiary of Dynacare Sdn. Bhd.				
Dynahealth Pte. Ltd.	Singapore	100%	100%	Inactive

INTERESTS IN HOLDING COMPANY AND OTHER RELATED CORPORATIONS

The Company does not have any interest in shares in the ultimate holding company and its other related corporations during the financial year.

DIRECTORS' REPORT

cont'd

AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors:

DATO' AHMAD KHAIRUMMUZAMMIL BIN MOHD YUSOFF
Director

PUAN SRI DATIN TAN SWEE BEE
Director

Date: 18 November 2025

STATEMENTS OF FINANCIAL POSITION

As at 31 July 2025

		Group		Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	265,150	165,501	2,471	2,996
Investment properties	6	36,190	40,040	-	-
Inventories	7	30	30	-	-
Intangible assets	8	47	54	-	-
Investment in subsidiaries	9	-	-	131,934	101,273
Total non-current assets		301,417	205,625	134,405	104,269
Current assets					
Inventories	7	6,636	3,314	-	-
Other investments	10	8,374	11,087	-	-
Trade and other receivables	11	5,155	4,762	22,919	27,276
Tax assets	12	51	152	-	-
Deposits, cash and bank balances	13	41,622	45,209	6,820	34,304
Total current assets		61,838	64,524	29,739	61,580
TOTAL ASSETS		363,255	270,149	164,144	165,849

STATEMENTS OF FINANCIAL POSITION

As at 31 July 2025

cont'd

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	14	429,635	429,635	429,635	429,635
Other reserves	15	11,166	9,821	-	-
Accumulated losses		(276,240)	(274,198)	(342,122)	(335,536)
		164,561	165,258	87,513	94,099
Non-controlling interests		46,323	19,941	-	-
TOTAL EQUITY		210,884	185,199	87,513	94,099
Non-current liabilities					
Loan and borrowings	16	27,675	2,765	1,944	2,499
Deferred tax liabilities	17	27,508	26,932	-	-
Trade and other payables	18	43,804	-	-	-
Total non-current liabilities		98,987	29,697	1,944	2,499
Current liabilities					
Loan and borrowings	16	636	606	555	530
Trade and other payables	18	52,351	54,042	74,132	68,721
Contract liabilities	19	388	604	-	-
Tax liabilities		9	1	-	-
Total current liabilities		53,384	55,253	74,687	69,251
TOTAL LIABILITIES		152,371	84,950	76,631	71,750
TOTAL EQUITY AND LIABILITIES		363,255	270,149	164,144	165,849

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

For the Financial Year Ended 31 July 2025

		Group		Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
Revenue	20	26,378	22,609	60	60
Cost of sales	21	(29,882)	(28,185)	-	-
Gross (loss)/profit		(3,504)	(5,576)	60	60
Other income		2,392	588	119	399
Net reversal of impairment losses/(impairment losses) on trade and other receivables		3,180	2,763	(1,684)	571
Net reversal of impairment losses/(impairment losses) on property, plant and equipment		21,351	(5,326)	-	-
Administrative expenses		(16,744)	(17,369)	(4,061)	(4,855)
Other expenses		(6,574)	(486)	(1,640)	(10,963)
		1,213	(20,418)	(7,385)	(15,247)
Profit/(Loss) from operations		101	(25,406)	(7,206)	(14,788)
Finance income		994	1,447	752	1,212
Finance costs	22	(210)	(128)	(132)	(116)
Profit/(Loss) before tax	23	885	(24,087)	(6,586)	(13,692)
Tax credit/(expense)	25	411	(194)	-	(173)
Profit/(Loss) for the financial year		1,296	(24,281)	(6,586)	(13,865)

STATEMENTS OF COMPREHENSIVE INCOME

For the Financial Year Ended 31 July 2025

cont'd

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Other comprehensive income, net of tax					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Revaluation gain on property, plant and equipment, net of deferred tax liabilities		3,426	1,851	-	-
<i>Items that may be reclassified subsequently to profit or loss</i>					
Exchange differences on translation of foreign operations		(557)	166	-	-
Other comprehensive income for the financial year		2,869	2,017	-	-
Total comprehensive income/(loss) for the financial year		4,165	(22,264)	(6,586)	(13,865)
Profit/(Loss) attributable to:					
Owners of the Company		(2,042)	(16,075)	(6,586)	(13,865)
Non-controlling interests		3,338	(8,206)	-	-
		1,296	(24,281)	(6,586)	(13,865)
Total comprehensive income/(loss) attributable to:					
Owners of the Company		(697)	(14,798)	(6,586)	(13,865)
Non-controlling interests		4,862	(7,466)	-	-
		4,165	(22,264)	(6,586)	(13,865)
Basic and diluted loss per share (sen)	26	(0.17)	(1.37)		

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 31 July 2025

Group	Note	Attributable to owners of the Company					Non-controlling interests	Total equity
		Share capital	Exchange reserve	Revaluation reserve	Accumulated losses	Sub-total		
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 August 2024		429,635	(2,563)	12,384	(274,198)	165,258	19,941	185,199
Total comprehensive income for the financial year								
Profit/(Loss) for the financial year		-	-	-	(2,042)	(2,042)	3,338	1,296
Other comprehensive income/(loss) for the financial year		-	(557)	1,902	-	1,345	1,524	2,869
Total comprehensive income/(loss)		-	(557)	1,902	(2,042)	(697)	4,862	4,165
Transaction with owners								
Non-controlling interest arising from investment in a subsidiary, representing total transaction with owner		-	-	-	-	-	21,520	21,520
At 31 July 2025		429,635	(3,120)	14,286	(276,240)	164,561	46,323	210,884

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 31 July 2025

cont'd

Group	Note	Attributable to owners of the Company							Non-controlling interests	Total equity
		Share capital	Exchange reserve	Revaluation reserve	Warrant reserve	Accumulated losses	Sub-total			
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
At 1 August 2023		413,672	(2,729)	12,818	15,963	(257,511)	182,213		24,450	206,663
Effect of restatement		-	-	(1,545)	-	(612)	(2,157)		2,157	-
Restated balance as at 1 August 2023		413,672	(2,729)	11,273	15,963	(258,123)	180,056		26,607	206,663
Total comprehensive loss for the financial year										
Loss for the financial year		-	-	-	-	(16,075)	(16,075)		(8,206)	(24,281)
Other comprehensive income for the financial year		-	166	1,111	-	-	1,277		740	2,017
Total comprehensive income/(loss)		-	166	1,111	-	(16,075)	(14,798)		(7,466)	(22,264)
Transaction with owners										
Non-controlling interests arising from investment in a subsidiary, representing total transaction with owners		-	-	-	-	-	-		800	800
Transfer warrant reserves to share capital upon expiry of warrants		15,963	-	-	(15,963)	-	-		-	-
Total transactions with owners		15,963	-	-	(15,963)	-	-		800	800
At 31 July 2024		429,635	(2,563)	12,384	-	(274,198)	165,258		19,941	185,199

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 31 July 2025

cont'd

Company	← Attributable to owners of the Company →			
	Share capital	Warrant reserve	Accumulated losses	Total equity
	RM'000	RM'000	RM'000	RM'000
At 1 August 2023	413,672	15,963	(321,671)	107,964
Total comprehensive loss for the financial year				
Loss for the financial year, representing total comprehensive loss	-	-	(13,865)	(13,865)
Transaction with owners				
Transfer warrant reserves to share capital upon expiry of warrants, representing total transaction with owners	15,963	(15,963)	-	-
At 31 July 2024	429,635	-	(335,536)	94,099
Total comprehensive loss for the financial year				
Loss for the financial year, representing total comprehensive loss	-	-	(6,586)	(6,586)
At 31 July 2025	429,635	-	(342,122)	87,513

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 July 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash flows from operating					
Profit/(Loss) before tax		885	(24,087)	(6,586)	(13,692)
Adjustments for:					
Amortisation of intangible assets	8	7	7	-	-
Bad debts written off		3	-	22	-
Depreciation of property, plant and equipment	5	8,051	5,997	530	503
Fair value loss on investment properties		3,850	360	-	-
Fair value loss on other investment		2,713	118	-	-
Gain on disposal of property, plant and equipment		(2)	(110)	(1)	(110)
Impairment loss on goodwill		-	3	-	-
Impairment loss on property, plant and equipment		-	5,326	-	-
Impairment loss on trade and other receivables		-	1	1,857	260
Impairment loss on investment in subsidiaries		-	-	1,619	10,965
Interest expense		210	128	132	116
Interest income		(994)	(1,447)	(752)	(1,212)
Gain on lease modification		(10)	(190)	-	(190)
Gain on remeasurement of payable		(1,579)	-	-	-
Property, plant and equipment written off		9	4	-	-
Reversal of impairment loss on property, plant and equipment		(21,351)	-	-	-
Reversal of impairment loss on trade and other receivables		(3,180)	(2,764)	(173)	(831)
Unrealised (gain)/loss on foreign exchange		(29)	(1)	2	(1)
		(12,302)	7,432	3,236	9,500
Operating loss before changes in working capital, carried forward					
		(11,417)	(16,655)	(3,350)	(4,192)

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 July 2025
cont'd

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash flows from operating activities <i>cont'd</i>					
Operating loss before changes in working capital, brought forward		(11,417)	(16,655)	(3,350)	(4,192)
Changes in working capital:					
Inventories		(3,322)	1,527	-	-
Trade and other receivables		2,784	4,440	86	(157)
Trade and other payables		(38,301)	6,156	13	(45)
Contract liabilities		(216)	(150)	-	-
		(39,055)	11,973	99	(202)
Net cash used in operations		(50,472)	(4,682)	(3,251)	(4,394)
Tax refunded		66	181	-	-
Tax paid		(52)	(192)	-	(173)
Net cash used in operating activities		(50,458)	(4,693)	(3,251)	(4,567)
Cash flows from investing activities					
Additional investment in a subsidiary	9(b)	-	-	(32,280)	(1,200)
Repayment from/(Advances to) subsidiaries		-	-	2,564	(4,743)
Interest received		994	1,447	752	1,212
Purchase of property, plant and equipment	5(a)	(436)	(9,227)	(5)	(72)
Proceeds from disposal of property, plant and equipment		2	110	1	110
Change in pledged deposits		(6)	(4)	-	-
Net cash from/(used in) investing activities		554	(7,674)	(28,968)	(4,693)

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 July 2025

cont'd

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash flows from financing activities	(a)				
Advances from subsidiaries		-	-	5,398	101
Drawdown of term loan		25,578	-	-	-
Interest paid		(210)	(128)	(132)	(116)
Repayment of hire purchase payable		(129)	(75)	(105)	(51)
Repayments of lease liabilities		(477)	(402)	(425)	(351)
Subscription of shares by non-controlling interests in a subsidiary		21,520	800	-	-
Net cash from/(used in) financing activities		46,282	195	4,736	(417)
Net decrease in cash and cash equivalents		(3,622)	(12,172)	(27,483)	(9,677)
Cash and cash equivalents at the beginning of the financial year		45,049	57,220	34,304	43,981
Effects of exchange rate changes on cash and cash equivalents		29	1	(1)	-
Cash and cash equivalents at the end of the financial year	13	41,456	45,049	6,820	34,304

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 July 2025
cont'd

(a) Reconciliation of liabilities arising from financing activities:

		Non-cash			
			Acquisition	Others	
			RM'000	RM'000	
	Note	1.8.2024 RM'000	Cash flows RM'000		31.7.2025 RM'000
Group					
Term Loan	16	-	25,578	-	25,578
Hire purchase payables	16	616	(129)	-	487
Lease liabilities	16	2,755	(477)	175	2,246
		3,371	24,972	175	28,311
Company					
Hire purchase payable	16	515	(105)	-	410
Lease liabilities	16	2,514	(425)	-	2,089
Amounts owing to subsidiaries	18	68,468	5,398	-	73,866
		71,497	4,868	-	76,365

		Non-cash			
			Acquisition	Others	
			RM'000	RM'000	
	Note	1.8.2023 RM'000	Cash flows RM'000		31.7.2024 RM'000
Group					
Hire purchase payable	16	125	(75)	566	616
Lease liabilities	16	2,053	(402)	2,697	2,755
		2,178	(477)	3,263	3,371
Company					
Hire purchase payable	16	-	(51)	566	515
Lease liabilities	16	1,761	(351)	2,697	2,514
Amounts owing to subsidiaries	18	68,367	101	-	68,468
		70,128	(301)	3,263	71,497

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 July 2025

cont'd

(b) Total cash outflows for leases as a lessee:

		Group		Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
Included in net cash from operating activities:					
Interest paid in relation to lease liabilities	22	115	110	107	101
Payments relating to short-term leases and low-value assets	23	98	102	37	43
Included in net cash from financing activities:					
Payments of lease liabilities		477	402	425	351
Total cash outflows for leases		690	614	569	495

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Johan Holdings Berhad (“the Company”) is a public limited company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business of the Company is located at 11th Floor, Wisma E&C, 2 Lorong Dungun Kiri, Damansara Heights, 50490 Kuala Lumpur, Malaysia.

The principal activities of the Company are that of investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiaries include manufacturing and dealing of rubber gloves and medical personal protection equipment, provision of secretarial and management services, general trading and operation of hotel and resort related business. There have been no significant changes in the nature of these activities during the financial year.

The ultimate holding company of the Company is Sky Wealth Ventures Limited, a company incorporated in British Virgin Islands.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 18 November 2025.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

2.2 Adoption of amendments to MFRSs

The Group and the Company have adopted the following applicable amendments to MFRSs for the current financial year:

Amendments to MFRSs

MFRS 7	Financial Instruments: Disclosures
MFRS 16	Leases
MFRS 101	Presentation of Financial Statements
MFRS 107	Statement of Cash Flows

The adoption of the above amendments to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group’s and the Company’s existing accounting policies.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

2. BASIS OF PREPARATION *cont'd*

2.3 New MFRSs and amendments to MFRSs that have been issued, but yet to be effective

The Group and the Company have not adopted the following new MFRSs and amendments to MFRSs that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
<u>New MFRSs</u>		
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
<u>Amendments to MFRSs</u>		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2026
MFRS 7	Financial Instruments: Disclosures	1 January 2026
MFRS 9	Financial Instruments	1 January 2026
MFRS 10	Consolidated Financial Statements	1 January 2026/ Deferred
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
MFRS 107	Statement of Cash Flows	1 January 2026
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2025
MFRS 128	Investments in Associates and Joint Ventures	Deferred

The Group and the Company plan to adopt the above applicable new MFRSs and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRSs and amendments to MFRSs that may be applicable to the Group and the Company are summarised below.

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 replaces MFRS 101 *Presentation of Financial Statements*. It retains many requirements from MFRS 101 without modification.

MFRS 18 introduces two subtotals which are to be presented in the statement of profit or loss – including “operating profit”, which has been specifically defined. Income and expenses shall be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

MFRS 18 requires disclosure of explanations of the entity’s company-specific measures that are related to the statement of profit or loss, referred to as management-defined performance measures (“MPMs”). The entity is required to reconcile MPMs to a total or subtotal required by MFRS 18 or another MFRS Accounting Standards. MFRS 18 also requires other disclosures, including how each MPM is calculated, what the MPM communication about the entity’s financial performance, and any changes made to the MPMs in the year.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

2. BASIS OF PREPARATION *cont'd*

2.3 New MFRSs and amendments to MFRSs that have been issued, but yet to be effective *cont'd*

MFRS 18 Presentation and Disclosure in Financial Statements cont'd

MFRS 18 adds new principles for aggregation and disaggregation of information. It requires the entity to classify the expenses in the “operating” category in the profit or loss by nature or function, or both. The entity that classifies operating expenses by functions are required to disclose in the notes to the financial statements, the amount of depreciation, amortisation, employee benefits, impairment losses and write-downs of inventories included in each line in the operating category. Subject to materiality, MFRS 18 requires items presented or disclosed as “other” to be labelled and/or described in as faithfully representative and precise a way as possible.

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate (“the functional currency”). The consolidated financial statements are presented in Ringgit Malaysia (“RM”), which is also the Company’s functional currency, and has been rounded to the nearest thousand, unless otherwise stated.

2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Unless otherwise stated, the following material accounting policy information have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

(a) Subsidiaries and business combination

The Group applies the acquisition method to account for business combinations from the acquisition date when the acquired set of activities meets the definition of a business and control is transferred to the Group.

(b) Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at the non-controlling interest’s proportionate share of the acquiree’s identifiable net assets.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries is measured at cost less any accumulated impairment losses.

3.3 Financial instruments

Financial assets at fair value through profit or loss

The Group subsequently measures these assets at fair value. Net gains and losses, including any interest and dividend income, are recognised in profit or loss.

Debt instruments at amortised cost

The Group and the Company subsequently measure these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – subsequent measurement and gains and losses

The Group and the Company classify the financial liabilities at amortised cost.

The Group and the Company subsequently measure financial liabilities at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3.4 Property, plant and equipment

Property, plant and equipment (other than land and building and right-of-use assets as disclosed in Note 3.5) are measured at cost less accumulated depreciation and any accumulated impairment losses.

Leasehold land and building are measured using revaluation model, based on valuations by external independent valuer, less accumulated depreciation on leasehold land and buildings and any accumulated impairment losses recognised after the date of revaluation. Any accumulated depreciation as at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

3.4 Property, plant and equipment *cont'd*

All property, plant and equipment (other than right-of-use assets as disclosed in Note 3.5) are depreciated on the straight-line basis by allocating their depreciable amounts over their remaining useful lives. The principal useful lives and depreciation rates are as follows:

Buildings	2%
Equipment, furniture and fittings	5% - 33.3%
Motor vehicles	10% - 20%
Plant and machinery	5%

3.5 Leases

(a) Lessee accounting

The Group and the Company present right-of-use assets that do not meet the definition of investment property as property, plant and equipment in Note 5 and lease liabilities as loans and borrowings in Note 16.

Short-term leases and leases of low value assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group and the Company recognise the lease payments as an operating expenses on a straight-line basis over the term of the lease.

Right-of-use assets

The right-of-use assets (other than leasehold land that measures using revaluation model) are measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate.

The Group and the Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease components.

(b) Lessor accounting

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of revenue.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

3.6 Investment properties

Investment properties are measured at fair value with gains and losses arising from changes in the fair values of investment properties recognised in profit or loss for the period in which they arise.

3.7 Intangible assets

Inatangible assets, other than goodwill, that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The amortisation methods used and the estimated useful lives are as follows:

	Method	Useful lives (years)
Computer software	Straight-line	7 years
Trademark	Straight-line	10 years

3.8 Inventories

Inventories are measured at the lower of cost and net realisable value.

Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- raw materials: purchase costs on weighted average cost basis.
- finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

3.9 Revenue and other income

(a) Charge and credit card operations

Revenue from charge and credit card commission are recognised at the point of transaction at service establishments. Annual subscription fees are recognised on a time-apportionment basis over the membership period. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate. Revenue from inactive accounts are recognised when recovered.

(b) Ticketing and travel revenue

Revenue from air ticket sales is recognised based on fee earned and upon issue and delivery of air tickets. Revenue from travel services is recognised upon departure or arrival dates of the tours and services rendered.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

3.9 Revenue and other income *cont'd*

(c) Sales of goods

Revenue from sale of goods are recognised at a point in time when control of the products has been transferred, being when the customer accepts the delivery of the goods. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(d) Revenue from resort operations

Hotel room revenue is recognised when service is rendered to the customer over their stay at the hotel. The transaction price is the net amount collected from the customer. Advance deposits on hotel rooms are recorded as customer deposits until services are provided to the customer.

Revenue from the sale of goods or services is recognised when the food and beverage, entertainment and retail goods is delivered, rendered or control transferred to the customer. Payment of the transaction price is due immediately when the customer purchases the food and beverage or retail goods.

(e) Interest income

Interest income is recognised using the effective interest method.

(f) Dividend income

Dividend income is recognised when the right to receive payment is established.

(g) Rental income

Rental income from investment property is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(h) Management fees and services

Management fees and services are recognised when services are rendered.

3.10 Deferred tax

When investment properties are carried at fair value in accordance with the material accounting policy information as disclosed in Note 3.6, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within the business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Company's financial statements within the next financial year are disclosed as follows:

(a) Valuation of property, plant and equipment

The Group assesses impairment of non-financial assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverable amount is measured at the fair value less cost of disposal for that asset or cash-generating unit and its value-in-use. The Group performed an impairment assessment to estimate the recoverable amount of these assets which involved significant judgement.

The carrying amounts of the property, plant and equipment are disclosed in Note 5.

(b) Fair value of investment properties

The Group's policy is to measure investment properties at fair value and property, plant and equipment (comprising leasehold land and building) carried at valuation subsequent to their initial recognition. The Group estimated the fair value of the investment properties and valuation of property, plant and equipment based on information provided and the market valuation performed by an external independent valuer. The estimation of recoverable amount and fair value of investment properties and valuation of property, plant and equipment requires significant judgement by directors in key assumptions used.

The carrying amounts of the investment properties are disclosed in Note 6.

(c) Write-down of obsolete or slow moving inventories

The Group's policy is to state the inventories at the lower of cost and net realisable value. The review of saleability and valuation of inventories at the lower of cost and net realisable value are an area of significant judgement and estimate by directors. The Group specifically analyses sales trend and current economic trends when making a judgement to evaluate the adequacy of the write-down of obsolete or slow moving inventories. Where expectations differ from the original estimates, the differences will impact the carrying amount of inventories.

The carrying amounts of the Group's inventories are disclosed in Note 7.

(d) Funding requirements

The Group and the Company apply judgement in determining the funding requirements and their ability to meet short term obligations. The Group and the Company consider the facts and circumstances and make assumptions about the future, including the cash flows to be generated from the operations of the Group and the Company and the available financing activities.

The details of funding requirements and ability to meet short term obligations are disclosed in Note 29(b)(ii) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

5. PROPERTY, PLANT AND EQUIPMENT

Group	Buildings	Equipment, furniture and fittings	Motor vehicles	Plant and machinery	Capital work-in progress	Right-of- use assets	Total
2025	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cost/Valuation							
At 1 August 2024	28,370	13,886	1,085	84,280	4,822	96,770	229,213
Additions	-	432	5	81,436	-	175	82,048
Adjustment on revaluation	(41)	-	-	-	-	(4,215)	(4,256)
Derecognition*	-	-	-	-	-	(358)	(358)
Disposals	-	-	(7)	-	-	-	(7)
Reclassification	31,470	-	-	(26,648)	(4,822)	-	-
Written off	-	(80)	-	(6)	-	-	(86)
At 31 July 2025	59,799	14,238	1,083	139,062	-	92,372	306,554
Accumulated depreciation and impairment losses							
At 1 August 2024							
Accumulated depreciation	782	12,523	385	4,599	-	4,026	22,315
Accumulated impairment losses	-	30	17	37,991	3,359	-	41,397
Depreciation charge for the financial year (Note 23)	790	288	98	4,200	-	2,675	8,051
Derecognition*	-	-	-	-	-	(161)	(161)
Disposals	-	-	(7)	-	-	-	(7)
Reclassification							
- Depreciation	1,895	-	-	(1,895)	-	-	-
- Impairment	-	-	-	3,359	(3,359)	-	-
Reversal of impairment loss	-	-	-	(21,351)	-	-	(21,351)
Adjustment on revaluation	(3,071)	-	-	-	-	(5,692)	(8,763)
Written off	-	(76)	-	(1)	-	-	(77)
At 31 July 2025							
Accumulated depreciation	396	12,735	476	6,903	-	848	21,358
Accumulated impairment losses	-	30	17	19,999	-	-	20,046
Carrying amount							
At cost	-	1,473	590	112,160	-	2,105	116,328
At valuation	59,403	-	-	-	-	89,419	148,822
At 31 July 2025	59,403	1,473	590	112,160	-	91,524	265,150

NOTES TO THE FINANCIAL STATEMENTS

cont'd

5. PROPERTY, PLANT AND EQUIPMENT *cont'd*

Group	Buildings	Equipment, furniture and fittings	Motor vehicles	Plant and machinery	Capital work-in progress	Right-of- use assets	Total
2024	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cost/Valuation							
At 1 August 2023	28,439	13,620	1,073	69,893	10,697	94,171	217,893
Additions	-	266	621	87	8,429	3,087	12,490
Adjustment on revaluation	(69)	-	-	-	-	2,320	2,251
Derecognition*	-	-	-	-	-	(2,808)	(2,808)
Disposals	-	-	(609)	-	-	-	(609)
Reclassification	-	-	-	14,304	(14,304)	-	-
Written off	-	-	-	(4)	-	-	(4)
At 31 July 2024	28,370	13,886	1,085	84,280	4,822	96,770	229,213
Accumulated depreciation and impairment loss							
At 1 August 2023							
Accumulated depreciation	202	12,262	928	2,208	-	2,916	18,516
Accumulated impairment losses	-	17	3	32,260	3,791	-	36,071
Depreciation charge for the financial year (Note 23)	580	261	66	2,391	-	2,699	5,997
Derecognition*	-	-	-	-	-	(1,404)	(1,404)
Disposals	-	-	(609)	-	-	-	(609)
Adjustment on revaluation	-	-	-	-	-	(185)	(185)
Impairment loss	-	13	14	5,273	26	-	5,326
Reclassification	-	-	-	458	(458)	-	-
At 31 July 2024							
Accumulated depreciation	782	12,523	385	4,599	-	4,026	22,315
Accumulated impairment losses	-	30	17	37,991	3,359	-	41,397
Carrying amount							
At cost	-	1,333	683	41,690	1,463	2,632	47,801
At valuation	27,588	-	-	-	-	90,112	117,700
At 31 July 2024	27,588	1,333	683	41,690	1,463	92,744	165,501

NOTES TO THE FINANCIAL STATEMENTS

cont'd

5. PROPERTY, PLANT AND EQUIPMENT *cont'd*

Company	Furniture and fittings RM'000	Motor vehicles RM'000	Right-of- use assets RM'000	Total RM'000
Cost				
At 1 August 2023	2,271	740	2,808	5,819
Additions	17	621	2,697	3,335
Derecognition*	-	-	(2,808)	(2,808)
Disposal	-	(609)	-	(609)
At 31 July 2024	2,288	752	2,697	5,737
Additions	-	5	-	5
Disposal	-	(4)	-	(4)
At 31 July 2025	2,288	753	2,697	5,738
Accumulated depreciation				
At 1 August 2023	2,264	739	1,248	4,251
Depreciation charge for the financial year (Note 23)	4	44	455	503
Derecognition*	-	-	(1,404)	(1,404)
Disposal	-	(609)	-	(609)
At 31 July 2024	2,268	174	299	2,741
Depreciation charge for the financial year (Note 23)	5	75	450	530
Disposal	-	(4)	-	(4)
At 31 July 2025	2,273	245	749	3,267
Carrying amount				
At 31 July 2024	20	578	2,398	2,996
At 31 July 2025	15	508	1,948	2,471

* Derecognition of the right-of-use assets during the financial year ended 31 July 2025 and 31 July 2024 was a result of termination of certain leases.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

5. PROPERTY, PLANT AND EQUIPMENT *cont'd*

- (a) During the financial year, the Group and the Company acquired property, plant and equipment with an aggregate cost of RM82,048,000 (2024: RM12,490,000) and RM5,000 (2024: RM3,335,000) respectively which are satisfied by the following:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Cash payments	436	9,227	5	72
Financed by way of lease agreement	175	2,697	-	2,697
Financed by way of hire purchases agreement	-	566	-	566
Payable	81,437	-	-	-
	82,048	12,490	5	3,335

- (b) Right-of-use assets

The Group and the Company lease several assets including leasehold land and buildings, leasehold hotel properties, and hostels.

Information about leases for which the Group and the Company are lessees is presented below:

Group	Long-term leasehold land RM'000	Long-term leasehold land and buildings RM'000	Long-term leasehold hotel properties RM'000	Buildings RM'000	Hostels RM'000	Total RM'000
Carrying amount	At valuation			At cost		
At 1 August 2023	41,683	11,091	36,633	1,561	287	91,255
Additions	-	-	390	2,697	-	3,087
Adjustment on revaluation	2,505	-	-	-	-	2,505
Depreciation	(643)	(165)	(1,382)	(456)	(53)	(2,699)
Derecognition*	-	-	-	(1,404)	-	(1,404)
At 31 July 2024	43,545	10,926	35,641	2,398	234	92,744
Additions	-	-	-	175	-	175
Adjustment on revaluation	(299)	307	1,469	-	-	1,477
Depreciation	(602)	(168)	(1,400)	(468)	(37)	(2,675)
Derecognition*	-	-	-	-	(197)	(197)
At 31 July 2025	42,644	11,065	35,710	2,105	-	91,524

NOTES TO THE FINANCIAL STATEMENTS

cont'd

5. PROPERTY, PLANT AND EQUIPMENT *cont'd*

(b) Right-of-use assets *cont'd*

Information about leases for which the Group and the Company are lessees is presented below: *cont'd*

	Building RM'000
Company	
Carrying amount	
At 1 August 2023	1,560
Addition	2,697
Depreciation	(455)
Derecognition*	(1,404)
At 31 July 2024	2,398
Depreciation	(450)
At 31 July 2025	1,948

The Group and the Company lease land and buildings for their office space and operation site. The leases for office space and operation site generally have remaining useful life of 20 years to 81 years.

The Group and the Company also leases buildings and hostels with lease terms of 3 years (2024: 6 years) and 3 years (2024: 3 years) respectively.

(c) Fair value information

The fair value of long-term leasehold land and buildings of the Group are categorised as follows:

	Group Level 3 RM'000
2025	
Buildings	59,403
Long-term leasehold land	42,644
Long-term leasehold land and buildings	11,065
Long-term leasehold hotel properties	35,710
	148,822

NOTES TO THE FINANCIAL STATEMENTS

cont'd

5. PROPERTY, PLANT AND EQUIPMENT *cont'd*

(c) Fair value information *cont'd*

The fair value of long-term leasehold land and buildings of the Group are categorised as follows: *cont'd*

	Group Level 3 RM'000
2024	
Buildings	27,588
Long-term leasehold land	43,545
Long-term leasehold land and buildings	10,926
Long-term leasehold hotel properties	35,641
	117,700

Level 3 fair value

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Description	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Buildings	Cost approach	Replacement cost of the buildings and other improvements	The higher the price per square feet, the higher the fair value
Long-term leasehold land	Sales comparison approach	Sale price of comparable land	The higher the price per square feet, the higher the fair value
Long-term leasehold land and buildings	Sales comparison approach	Sale price of comparable land and buildings	The higher the price per square feet, the higher the fair value
Long-term leasehold hotel properties	Sales comparison and cost approach	Sale price of comparable land and the depreciated reproduction or replacement cost of the building and other improvements	The higher the price per square feet, the higher the fair value

NOTES TO THE FINANCIAL STATEMENTS

cont'd

5. PROPERTY, PLANT AND EQUIPMENT *cont'd*

(c) Fair value information *cont'd*

Valuation processes applied by the Group

The fair value of long-term leasehold land, long-term leasehold land and buildings and long-term leasehold hotel properties is determined by external independent valuers. The valuation company provides the fair value of long-term leasehold land and buildings on a yearly basis. Changes in Level 3 fair values are analysed by the management every year after obtaining the valuation report from the valuation company. There has been no change to the valuation technique during the financial year.

Highest and best use

In estimating the fair value of the long-term leasehold land and buildings, the highest and best use of the leasehold land and buildings is their current use.

- (d) During the financial year, the Group recognised a reversal of impairment loss of RM21,351,000 (2024: recognised impairment loss of RM5,326,000) based on the assessment of the recoverable amount of the property, plant and equipment.

The Group estimated the recoverable amount based on the fair value less cost of disposal of the property, plant and equipment determined by external independent valuers.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Description	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Equipment, furniture and fittings, motor vehicles, plant and machinery	Cost approach	Replacement cost of the plant and equipment	The higher the cost price, the higher the fair value

NOTES TO THE FINANCIAL STATEMENTS

cont'd

5. PROPERTY, PLANT AND EQUIPMENT *cont'd*

- (e) Had the revalued long-term leasehold land and buildings been carried at historical cost less accumulated depreciation, the net carrying amount of the long-term leasehold land and buildings that would have been included in the financial statements of the Group are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Buildings	26,556	26,842
Long-term leasehold land	29,378	29,776
Long-term leasehold land and buildings	1,563	1,605
Long-term leasehold hotel properties	6,505	7,725
	64,002	65,948

6. INVESTMENT PROPERTIES

	Group	
	2025	2024
	RM'000	RM'000
At fair value:		
At beginning of the financial year	40,040	40,400
Net loss arising from fair value adjustment (Note 23)	(3,850)	(360)
At end of the financial year	36,190	40,040

- (a) The following are recognised in profit or loss in respect of investment properties:

	Group	
	2025	2024
	RM'000	RM'000
Rental income	157	194
Direct operating expenses:		
- income generating investment properties	86	67
- non-income generating investment properties	142	136

NOTES TO THE FINANCIAL STATEMENTS

cont'd

6. INVESTMENT PROPERTIES *cont'd*

(b) Fair value information

The fair value of investment properties of the Group is categorised as follows:

	Level 3 RM'000
2025	
Freehold land and buildings	12,540
Leasehold land and buildings	23,650
	36,190
	Level 3 RM'000
2024	
Freehold land and buildings	13,185
Leasehold land and buildings	26,855
	40,040

There are no Level 1 investment properties or transfers between Level 1 and Level 2 during the financial year ended 31 July 2025 and 31 July 2024.

Level 3 fair value

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Description	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Freehold land and buildings	Sales comparison approach	Sale price of comparable land and buildings	The higher the price per square feet, the higher the fair value
Leasehold land and buildings	Sales comparison approach	Sale price of comparable land and buildings	The higher the price per square feet, the higher the fair value

NOTES TO THE FINANCIAL STATEMENTS

cont'd

6. INVESTMENT PROPERTIES *cont'd*

(b) Fair value information *cont'd*

Valuation processes applied by the Group

The fair value of investment properties is determined by external independent valuers. The valuation company provides the fair value of investment properties on a yearly basis. Changes in Level 3 fair values are analysed by the management every year after obtaining the valuation report from the valuation company. There has been no change to the valuation technique during the financial year.

Highest and best use

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

7. INVENTORIES

	Group	
	2025	2024
	RM'000	RM'000
Non-current:		
Property held for development		
- Leasehold land	15	15
- Development costs	15	15
	30	30
Current:		
Raw materials	190	913
Work-in-progress	6,400	1,723
Finished goods	46	678
	6,636	3,314
	6,666	3,344

The cost of inventories of the Group recognised as an expense in cost of sales during the financial year was RM17,330,000 (2024: RM18,545,000).

NOTES TO THE FINANCIAL STATEMENTS

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8. INTANGIBLE ASSETS

	Group			
	Goodwill	Computer software	Trademark	Total
	RM'000	RM'000	RM'000	RM'000
Cost				
At 1 August 2023	64	1,280	68	1,412
Additions	3	-	-	3
At 31 July 2024/31 July 2025	67	1,280	68	1,415
Accumulated Amortisation/impairment				
At 1 August 2023	64	1,280	7	1,351
Amortisation charge for the financial year (Note 23)	-	-	7	7
Impairment	3	-	-	3
At 31 July 2024	67	1,280	14	1,361
Amortisation charge for the financial year (Note 23)	-	-	7	7
At 31 July 2025	67	1,280	21	1,368
Carrying amount				
At 31 July 2024	-	-	54	54
At 31 July 2025	-	-	47	47

NOTES TO THE FINANCIAL STATEMENTS

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9. INVESTMENT IN SUBSIDIARIES

	Company	
	2025 RM'000	2024 RM'000
At cost		
Unquoted shares, at cost		
At beginning of the financial year	398,057	396,857
Additions	32,280	1,200
At end of the financial year	430,337	398,057
Accumulated impairment loss		
At beginning of the financial year	(296,784)	(285,820)
Impairment loss (Note 23)	(1,619)	(10,964)
At end of the financial year	(298,403)	(296,784)
	131,934	101,273

Additional impairment loss was recognised during the financial year due to continuous losses incurred by the subsidiaries. The impairment loss was recognised based on the recoverable amount of the subsidiaries.

Details of the subsidiaries are as follows:

Name of company	Principal place of business/Country of incorporation	Effective equity interest		Principal activities
		2025	2024	
Johan Management Services Sdn. Bhd.	Malaysia	100%	100%	Provision of secretarial and management services
Johan Land Sdn. Bhd.	Malaysia	100%	100%	Property development and investment holding
Johan Properties Sdn. Bhd.	Malaysia	100%	100%	Property holding and investment
Johan Equities Sdn. Bhd.	Malaysia	100%	100%	Investment trading
Johan Pasifik Sdn. Bhd.	Malaysia	100%	100%	Investment holding
Prestige Assets Sdn. Bhd.	Malaysia	100%	100%	Property investment

NOTES TO THE FINANCIAL STATEMENTS

cont'd

9. INVESTMENT IN SUBSIDIARIES *cont'd*

Details of the subsidiaries are as follows: *cont'd*

Name of company	Principal place of business/Country of incorporation	Effective equity interest		Principal activities
		2025	2024	
William Jacks & Company (Malaysia) Sdn. Bhd.	Malaysia	100%	100%	Investment holding, provision of data processing services and trading of engineering and building material
Nature's Farm (Health Foods) Sdn. Bhd.	Malaysia	100%	100%	Trading in health foods and supplements
Johan Capital Sdn. Bhd.	Malaysia	100%	100%	Investment holding and management services
JCC Equities Sdn. Bhd.	Malaysia	100%	100%	Inactive
Johan Nominees (Tempatan) Sdn. Bhd.	Malaysia	100%	100%	Inactive
Dynacare Sdn. Bhd.	Malaysia	60%	60%	Manufacturing and dealing of rubber gloves and medical personal protection equipment
AIH Holdings Ltd.*	Hong Kong	100%	100%	Investment holding and management services
Johan International Limited*	Hong Kong	100%	100%	Investment holding
Subsidiaries of William Jacks & Company (Malaysia) Sdn. Bhd.				
Jacks Edar Sdn. Bhd.	Malaysia	100%	100%	Inactive
WJM Trading Sdn. ABhd.	Malaysia	100%	100%	General trading
Subsidiary of Nature's Farm (Health Foods) Sdn. Bhd.				
Vitamin World Sdn. Bhd.	Malaysia	100%	100%	Inactive

NOTES TO THE FINANCIAL STATEMENTS

cont'd

9. INVESTMENT IN SUBSIDIARIES cont'd

Details of the subsidiaries are as follows: cont'd

	Principal place of business/Country of incorporation	Effective equity interest		
Name of company		2025	2024	Principal activities
Subsidiaries of Johan Capital Sdn. Bhd.				
Johan Leasing Sdn. Bhd.	Malaysia	100%	100%	Inactive
Strategic Usage Sdn. Bhd.	Malaysia	100%	100%	Investment holding
J Capital Investments Pte. Ltd. >^	Singapore	100%	100%	Ticketing and tour management solution provider
Subsidiary of Strategic Usage Sdn. Bhd.				
Diners Club (Malaysia) Sdn. Bhd.	Malaysia	100%	100%	Ceased its card activities as processor for Diners Club issued by overseas franchisees and currently, it continues to collect outstanding principal and earns interest income from outstanding cardholders
Subsidiaries of Diners Club (Malaysia) Sdn. Bhd.				
Diners World Travel (Malaysia) Sdn. Bhd.	Malaysia	100%	100%	Ticketing and tour management solution provider
Lumut Park Resort Sdn. Bhd.	Malaysia	80%	80%	Property development and operation of hotel and resort related business
Subsidiary of Johan Land Sdn. Bhd.				
Mustika Resort Sdn. Bhd.	Malaysia	85%	85%	Inactive
Subsidiary of Johan Pasifik Sdn. Bhd.				
Lumut Marine Resort Bhd.	Malaysia	70%	70%	Inactive
Subsidiary of AIH Holdings Ltd.				
Abacus Pacific N.V. >	The Netherlands	100%	100%	Investment holding

NOTES TO THE FINANCIAL STATEMENTS

cont'd

9. INVESTMENT IN SUBSIDIARIES *cont'd*

Details of the subsidiaries are as follows: *cont'd*

Name of company	Principal place of business/Country of incorporation	Effective equity interest		Principal activities
		2025	2024	
Subsidiary of Abacus Pacific N.V.				
Johan Investment Private Limited [#]	Singapore	100%	100%	Investment holding
Subsidiary of Dynacare Sdn. Bhd.				
Dynahealth Pte. Ltd. [#]	Singapore	100%	100%	Inactive

[#] Audited by an independent member firm of Baker Tilly International.

^{*} Audited by auditors other than Baker Tilly Monteiro Heng PLT.

[>] Consolidated using unaudited management financial statements as no statutory requirement for the financial statements to be audited at the end of the financial year.

[^] On 16 December 2024, J Capital Investments Pte. Ltd. proceeded with the process of members' voluntarily winding up pursuant to Section 160(1)(b) of the Insolvency, Restructuring and Dissolution Act 2018.

(a) Acquisition of WJM Trading Sdn. Bhd.

On 16 June 2024, a subsidiary of the Company, namely William Jacks & Company (Malaysia) Sendirian Berhad acquired shares in WJM Trading Sdn. Bhd., representing 100% of the issued and paid up share capital of WJM Trading Sdn. Bhd. for total consideration of RM2. The principal activity of the subsidiary is general trading. The subsidiary has commenced business on 14 April 2025.

(i) Fair value of the identifiable asset acquired and liabilities recognised:

	2024 RM'000
Asset	
Bank balance	*
Liabilities	
Other payables	(3)
Total identifiable net liabilities acquired	(3)
Goodwill arising on acquisition	3
Fair value of consideration transferred	[^]

NOTES TO THE FINANCIAL STATEMENTS

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9. INVESTMENT IN SUBSIDIARIES cont'd

(a) Acquisition of WJM Trading Sdn. Bhd. cont'd

(ii) Effects for acquisition on cash flows:

	2024 RM'000
Fair value of consideration transferred	^
Less: Cash and cash equivalents of the subsidiary acquired	*
Net cash outflow on acquisition	-

* This represents cash and cash equivalents of the subsidiary acquired amounting to RM2 on 16 June 2024.

^ This represents fair value of consideration transferred amounting to RM2 on 16 June 2024.

(iii) Effects of acquisition in statements of comprehensive income:

	2024 RM'000
Loss for the financial year	(5)

(b) Subscription for additional interest in Dynacare Sdn. Bhd.

In the previous financial year, the Company subscribed additional 1,200,000 shares of Dynacare Sdn. Bhd. for a total consideration of RM1,200,000.

During the financial year, the Company further subscribed for additional 32,280,000 shares of Dynacare Sdn. Bhd. for a total consideration of RM32,280,000.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

9. INVESTMENT IN SUBSIDIARIES *cont'd*

(c) Non-controlling interests in subsidiaries

The financial information of the Group's subsidiaries that have material non-controlling interests are as follows:

	Dynacare Sdn. Bhd. RM'000	Lumut Park Marine Resort Bhd. RM'000	Lumut Park Resort Sdn. Bhd. RM'000	Mustika Resort Sdn. Bhd. RM'000	Total RM'000
2025					
NCI Percentage of ownership interest and voting interest	40%	30%	20%	15%	
Carrying amount of NCI	44,131	37	1,276	879	46,323
Loss allocated to NCI	4,268	(71)	(785)	(74)	3,338
Total comprehensive loss allocated to NCI	5,737	(1)	(561)	(313)	4,862
2024					
NCI Percentage of ownership interest and voting interest	40%	30%	20%	15%	
Carrying amount of NCI	16,874	38	1,837	1,192	19,941
Loss allocated to NCI	(7,754)	(68)	(274)	(110)	(8,206)
Total comprehensive loss allocated to NCI	(7,014)	(68)	(274)	(110)	(7,466)

NOTES TO THE FINANCIAL STATEMENTS

cont'd

9. INVESTMENT IN SUBSIDIARIES *cont'd*

(c) Non-controlling interests in subsidiaries *cont'd*

The summarised financial information (before intra-group elimination) of the Group's material subsidiaries that have NCI are as follows:

	Dynacare Sdn. Bhd. RM'000	Lumut Marine Resort Bhd. RM'000	Lumut Park Resort Sdn. Bhd. RM'000	Mustika Resort Sdn. Bhd. RM'000
Summarised statement of financial position				
As at 31 July 2025				
Non-current assets	191,346	11,065	55,222	23,325
Current assets	13,072	31	11,763	100
Non-current liabilities	(46,219)	(1,114)	(11,807)	(5,629)
Current liabilities	(47,868)	(9,859)	(21,589)	(11,945)
Net assets	110,331	123	33,589	5,851
Summarised statement of comprehensive income				
Financial year ended 31 July 2025				
Revenue	7,429	-	5,723	-
Income/(Loss) for the financial year	10,671	(236)	(3,924)	(492)
Total comprehensive income/(loss)	14,343	(2)	(2,807)	(2,088)
Summarised cash flow information				
Financial year ended 31 July 2025				
Net cash flows used in operating activities	(94,763)	(68)	(227)	(278)
Net cash flows used in investing activities	(9)	-	(469)	-
Net cash flows from financing activities	97,606	68	459	278
Net increase/(decrease) in cash and cash equivalents	2,834	-	(237)	-
Dividends paid	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

cont'd

9. INVESTMENT IN SUBSIDIARIES *cont'd*

(c) Non-controlling interests in subsidiaries *cont'd*

The summarised financial information (before intra-group elimination) of the Group's material subsidiaries that have NCI are as follows: *cont'd*

	Dynacare Sdn. Bhd. RM'000	Lumut Marine Resort Bhd. RM'000	Lumut Park Resort Sdn. Bhd. RM'000	Mustika Resort Sdn. Bhd. RM'000
Summarised statement of financial position				
As at 31 July 2024				
Non-current assets	89,067	10,926	57,810	25,801
Current assets	8,455	31	11,889	-
Non-current liabilities	(1,279)	(1,040)	(11,960)	(6,133)
Current liabilities	(54,055)	(9,791)	(21,343)	(11,728)
Net assets	42,188	126	36,396	7,940
Summarised statement of comprehensive income				
Financial year ended 31 July 2024				
Revenue	6,906	-	5,583	-
Loss for the financial year	(19,385)	(226)	(1,370)	(736)
Total comprehensive loss	(17,534)	(226)	(1,370)	(736)
Summarised cash flow information				
Financial year ended 31 July 2024				
Net cash flows (used in)/from operating activities	(8,443)	(63)	481	(135)
Net cash flows used in investing activities	(8,520)	-	(690)	-
Net cash flows from financing activities	12,332	63	485	135
Net (decrease)/increase in cash and cash equivalents	(4,631)	-	276	-
Dividends paid	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

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10. OTHER INVESTMENTS

	Group	
	2025	2024
	RM'000	RM'000
Financial assets at fair value through profit or loss		
At fair value:		
Quoted securities in Malaysia	8,374	11,087

Investment in quoted securities comprised investment in George Kent (Malaysia) Berhad in which certain directors of the Company are deemed interested by virtue of their directorship and/or financial interest in George Kent (Malaysia) Berhad.

11. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2025	2024	2025	2024
Note	RM'000	RM'000	RM'000	RM'000
Current:				
Trade				
Amounts owing by related parties	15	47	-	-
External parties	57,041	58,613	-	-
	57,056	58,660	-	-
Less: Impairment losses for:				
- amounts owing by related parties	-	(3)	-	-
- external parties	(54,942)	(58,477)	-	-
(a)	(54,942)	(58,480)	-	-
	2,114	180	-	-

NOTES TO THE FINANCIAL STATEMENTS

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11. TRADE AND OTHER RECEIVABLES *cont'd*

		Group		Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
Current <i>cont'd</i>					
Non-trade					
Amounts owing by subsidiaries	(b)	-	-	33,743	36,330
Amounts owing by related parties	(c)	63	125	29	125
Other receivables		63	199	103	94
Deposits		2,265	3,639	172	172
Prepayments		661	630	11	11
		3,052	4,593	34,058	36,732
Less: Impairment losses for:					
- amounts owing by subsidiaries	(b)	-	-	(11,139)	(9,456)
- other receivables	(d)	(11)	(11)	-	-
		3,041	4,582	22,919	27,276
Total trade and other receivables		5,155	4,762	22,919	27,276

(a) Trade receivables

Trade receivables are non-interest bearing and normal credit terms offered by the Group ranging from 30 to 90 days (2024: 30 to 90 days) from the date of invoices. Other credit terms are assessed and approved on a case by case basis.

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade receivables are as follows:

	Group	
	2025 RM'000	2024 RM'000
At beginning of the financial year	58,480	60,907
Charge for financial year		
- Individually assessed	-	1
Reversal of impairment loss	(3,180)	(2,764)
Written off	-	(1)
Exchange differences	(358)	337
At end of the financial year	54,942	58,480

The information about the credit exposures are disclosed in Note 29(b)(i).

NOTES TO THE FINANCIAL STATEMENTS

cont'd

11. TRADE AND OTHER RECEIVABLES *cont'd*

- (b) Amounts owing by subsidiaries represent advances to subsidiaries which are unsecured, subject to interest at 2.95% (2024: 2.95%) and repayable upon demand in cash and cash equivalents.

The amounts owing by subsidiaries that are impaired at the reporting date and the reconciliation of movement in the impairment of amounts owing by subsidiaries are as follows:

	Company	
	2025 RM'000	2024 RM'000
At beginning of the financial year	9,456	10,027
Charge for financial year		
- Individually assessed	1,856	260
Reversal of impairment loss	(173)	(831)
At end of the financial year	11,139	9,456

- (c) Amounts owing by related parties represent the companies in which certain directors of the Company have interests, which are unsecured and non-interest bearing.
- (d) The Group's other receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of other receivables are as follows:

	Group	
	2025 RM'000	2024 RM'000
At beginning/end of the financial year	11	11

12. TAX ASSETS

This is in respect of tax recoverable from the Inland Revenue Board.

NOTES TO THE FINANCIAL STATEMENTS

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13. DEPOSITS, CASH AND BANK BALANCES

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Cash and bank balances	29,581	43,878	6,820	34,304
Deposit placed with licensed banks (Note (a))	11,875	1,171	-	-
Pledged deposits (Note (b))	166	160	-	-
Deposits, cash and bank balances as reported in the statements of financial position	41,622	45,209	6,820	34,304
Less: Pledged deposits	(166)	(160)	-	-
Cash and cash equivalents as reported in the statements of cash flows	41,456	45,049	6,820	34,304

(a) The deposit placed with a licensed bank of the Group earns interest ranging from 2.05% to 2.75% (2024: 2.30%) per annum.

(b) Pledged deposits are deposits placed with licensed banks of the Group earns interest at a rate of 2.10% (2024: 2.60%) per annum.

Included in the pledged deposits placed with licensed banks of the Group is a deposit of RM110,000 (2024: RM110,000) pledged as security for bank guarantees granted to the subsidiary, Lumut Park Resort Sdn. Bhd.

(c) The foreign currency exposure profile of cash and bank balances of the Group is as follows:

	Group	
	2025	2024
	RM'000	RM'000
Singapore Dollar	1,161	1,311
United States Dollar	2,352	539

NOTES TO THE FINANCIAL STATEMENTS

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14. SHARE CAPITAL

	Group/Company			
	Number of ordinary shares		Amounts	
	2025 Unit'000	2024 Unit'000	2025 RM'000	2024 RM'000
Issued and fully paid up (no par value):				
At beginning of the financial year	1,168,028	1,168,028	429,635	413,672
Transfer warrant reserves to share capital upon expiry of warrants	-	-	-	15,963
At end of the financial year	1,168,028	1,168,028	429,635	429,635

The holders of ordinary shares are entitled to receive dividends as and when declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

15. OTHER RESERVES

	Note	Group	
		2025 RM'000	2024 RM'000
Exchange reserve	(a)	(3,120)	(2,563)
Revaluation reserve	(b)	14,286	12,384
		11,166	9,821

(a) Exchange reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency as well as the foreign currency differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation or another currency.

NOTES TO THE FINANCIAL STATEMENTS

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15. OTHER RESERVES *cont'd*

(b) Revaluation reserve

	Group	
	2025	2024
	RM'000	RM'000
At beginning of the financial year	12,384	11,273
Arising from revaluation of property, plant and equipment	820	527
Deferred tax relating to revaluation reserve (Note 17)	1,082	584
At end of the financial year	14,286	12,384

The revaluation reserve relates to revaluation of long-term leasehold land and buildings, net of tax.

16. LOAN AND BORROWINGS

		Group		Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
Non-current:					
Secured:					
Hire purchase payables	(a)	353	487	300	410
Unsecured:					
Lease liabilities	(b)	1,744	2,278	1,644	2,089
Term loan	(c)	25,578	-	-	-
		27,675	2,765	1,944	2,499
Current:					
Secured:					
Hire purchase payables	(a)	134	129	110	105
Unsecured:					
Lease liabilities	(b)	502	477	445	425
		636	606	555	530
Total loan and borrowings:					
Hire purchase payables	(a)	487	616	410	515
Lease liabilities	(b)	2,246	2,755	2,089	2,514
Term loan	(c)	25,578	-	-	-
		28,311	3,371	2,499	3,029

NOTES TO THE FINANCIAL STATEMENTS

cont'd

16. LOAN AND BORROWINGS *cont'd*

(a) Hire purchase payables

Hire purchase payables of the Group and of the Company bear interest ranging from 2.12% to 2.40% (2024: 2.12% to 2.40%) and 2.40% (2024: 2.40%) per annum respectively and are secured by the Group's and the Company's motor vehicles with carrying amount of RM589,000 (2024: RM683,000) and RM503,000 (2024: RM578,000) respectively under hire purchase arrangements as disclosed in Note 5.

Future minimum lease payments under hire purchase together with the present value of net minimum lease payments are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Minimum lease payments				
Not later than 1 year	154	154	127	127
Later than 1 year and not later than 5 years	378	532	317	443
	532	686	444	570
Less: Future finance charges	(45)	(70)	(34)	(55)
Present value of minimum lease payments	487	616	410	515
Present value of minimum lease payments				
Not later than 1 year	134	129	110	105
Later than 1 year and not later than 5 years	353	487	300	410
	487	616	410	515
Less: Amount due within 12 months	(134)	(129)	(110)	(105)
Amount due after 12 months	353	487	300	410

NOTES TO THE FINANCIAL STATEMENTS

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16. LOAN AND BORROWINGS *cont'd*

(b) Lease liabilities

The incremental borrowing rate applied to lease liabilities at 4.70% (2024: 3.45% to 4.70%) per annum.

Future minimum lease payments together with the present value of the net minimum lease payments are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Minimum lease payments				
Not later than 1 year	594	592	532	532
Later than 1 year and not later than 5 years	1,876	2,326	1,772	2,127
Later than 5 years	-	177	-	177
	2,470	3,095	2,304	2,836
Less: Future finance charges	(224)	(340)	(215)	(322)
Present value of minimum lease payments	2,246	2,755	2,089	2,514
Present value of minimum lease payments				
Not later than 1 year	502	477	445	425
Later than 1 year and not later than 5 years	1,744	2,102	1,644	1,913
Later than 5 years	-	176	-	176
	2,246	2,755	2,089	2,514
Less: Amount due within 12 months	(502)	(477)	(445)	(425)
Amount due after 12 months	1,744	2,278	1,644	2,089

(c) Term Loan

Term loan of a subsidiary of RM25,578,000 (2024: Nil) bears interest at a rate of 4.50% (2024: Nil) per annum and is repayable annually for interest only, with the principal amount payable in full upon maturity.

It is secured and supported as follows:

- (a) Irrevocably and unconditionally to provide security collateral or credit support at any time.

NOTES TO THE FINANCIAL STATEMENTS

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17. DEFERRED TAX LIABILITIES

	Group	
	2025	2024
	RM'000	RM'000
At beginning of the financial year	26,932	26,372
Recognised in profit or loss (Note 25)	(506)	(24)
Deferred tax relating to revaluation reserve (Note 15(b))	1,082	584
At end of the financial year	27,508	26,932

(a) Presented after appropriate offsetting as follows:

	Group	
	2025	2024
	RM'000	RM'000
Deferred tax assets	1,714	1,589
Deferred tax liabilities	(29,222)	(28,521)
	(27,508)	(26,932)

(b) The components of deferred tax assets/(liabilities) prior to offsetting are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Deferred tax assets		
Unabsorbed capital allowances	1,704	1,552
Others	10	37
	1,714	1,589
Deferred tax liabilities		
Accrued interest income	(6,589)	(6,589)
Differences between the carrying amount of property, plant and equipment and their tax bases	(5,195)	(5,284)
Revaluation gain on investment properties	(1,239)	(7)
Revaluation surplus arising from revaluation of property, plant and equipment	(16,199)	(16,641)
	(29,222)	(28,521)
	(27,508)	(26,932)

The deferred tax assets and liabilities are not available for set-off as they arise from different taxable entities within the Group.

NOTES TO THE FINANCIAL STATEMENTS

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17. DEFERRED TAX LIABILITIES *cont'd*

- (c) The estimated amounts of temporary differences for which no deferred tax assets are recognised in the financial statements are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Unabsorbed capital allowances	35,401	30,694
Unutilised tax losses	236,821	226,345
Unabsorbed investment tax allowances	17,504	17,504
	289,726	274,543
Potential deferred tax assets not recognised at 24% (2024: 24%)	69,534	65,890

	Company	
	2025	2024
	RM'000	RM'000
Unabsorbed capital allowances	114	82
Unutilised tax losses	21,454	21,293
	21,568	21,375
Potential deferred tax assets not recognised at 24% (2024: 24%)	5,176	5,130

The availability of unutilised tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to requirements under Income Tax Act, 1967 and guidelines issued by the tax authority.

The unutilised tax losses available for offset against future taxable profits of the Group and of the Company will expire in the following financial years:

	Group	Company
	2025	2025
	RM'000	RM'000
2029	180,376	19,457
2030	8,326	782
2031	1,678	-
2032	1,915	670
2033	10,893	246
2034	15,790	-
2035	10,732	139
2036	7,111	160
	236,821	21,454

NOTES TO THE FINANCIAL STATEMENTS

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18. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current:					
Non-trade					
Other payables	(c)	43,804	-	-	-
Current:					
Trade					
Third parties	(a)	868	806	-	-
Non-trade					
Amounts owing to subsidiaries	(b)	-	-	73,866	68,468
Other payables	(c)	44,895	42,736	2	1
Deposits		29	56	-	-
Accruals		6,559	10,444	264	252
		51,483	53,236	74,132	68,721
Total trade and other payables (current)		52,351	54,042	74,132	68,721
Total trade and other payables (non-current and current)		96,155	54,042	74,132	68,721

- (a) Trade payables are non-interest bearing and the normal credit terms granted to the Group ranging from 14 to 90 days (2024: 30 to 120 days).
- (b) The amounts owing to subsidiaries are non-trade in nature, unsecured, non-interest bearing and repayable on demand in cash and cash equivalents.
- (c) During the financial year, included in other payables of the Group are non-trade amounts of RM84,385,000 (2024: RM37,584,000) owing to related parties. The amounts are unsecured, bear interest at rate of 2.55% (2024: Nil) per annum and repayable on demand in cash and cash equivalents, except for an amount of RM43,804,000 which is not due for repayment within the next 12 months.

These related parties represent companies in which certain directors of the Company have interests.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

18. TRADE AND OTHER PAYABLES *cont'd*

(d) The foreign currency exposure profile of accruals of the Group is as follows:

	Group	
	2025	2024
	RM'000	RM'000
Hong Kong Dollar	20	20

For explanations on the Group's and the Company's liquidity risk management processes, are disclosed in Note 29(b)(ii).

19. CONTRACT LIABILITIES

	Group	
	2025	2024
	RM'000	RM'000
Contract liabilities relating to rendering of services	62	152
Contract liabilities relating to goods sold	326	452
	388	604

(a) Significant changes in contract balances

	Contract liabilities (increase)/decrease	
	2025	2024
	RM'000	RM'000
Group		
Revenue recognised that was included in contract liability at the beginning of the financial year	604	754
Increases due to advances received from customers, but revenue not recognised	(388)	(604)

NOTES TO THE FINANCIAL STATEMENTS

cont'd

20. REVENUE

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Revenue from contract customers:				
At a point in time:				
Food and beverages	1,945	1,914	-	-
Sale of goods	20,086	16,417	-	-
Others	78	84	-	-
	22,109	18,415	-	-
Over time:				
Management fees	-	-	60	60
Management services	61	72	-	-
Resort operations	3,697	3,574	-	-
	3,758	3,646	60	60
Revenue from other sources:				
Dividend income from other investments	354	354	-	-
Rental income	157	194	-	-
	511	548	-	-
Total revenue	26,378	22,609	60	60

21. COST OF SALES

	Group	
	2025	2024
	RM'000	RM'000
Resort operations	688	633
Purchase of goods	29,040	27,428
Others	154	124
	29,882	28,185

NOTES TO THE FINANCIAL STATEMENTS

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22. FINANCE COSTS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Amount owing to a related party	66	-	-	-
Hire purchase payable	25	16	22	13
Lease liabilities	115	110	107	101
Others	4	2	3	2
	210	128	132	116

23. PROFIT/(LOSS) BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at profit/(loss) before tax:

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Amortisation of intangible assets	8	7	7	-	-
Auditors' remuneration					
- statutory audit					
- Baker Tilly Monteiro Heng PLT		227	220	97	94
- Member firms of Baker Tilly International		55	98	-	-
- Other auditors		66	77	-	-
- non-statutory audit		5	5	5	5
Bad debts written off		3	-	22	-
Bad debts recovered		(126)	(148)	-	-
Depreciation of property, plant and equipment	5	8,051	5,997	530	503
Employee benefits expense	24	10,715	11,476	2,553	3,414
Expenses relating to short-term leases		84	91	37	43
Expenses relating to lease of low value assets		14	11	-	-
Fair value loss on investment properties	6	3,850	360	-	-
Fair value loss on other investments		2,713	118	-	-
Impairment loss on goodwill		-	3	-	-
Gain on lease modification		(10)	(190)	-	(190)

NOTES TO THE FINANCIAL STATEMENTS

cont'd

23. PROFIT/(LOSS) BEFORE TAX cont'd

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at profit/(loss) before tax: *cont'd*

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Gain on remeasurement of payable		(1,579)	-	-	-
Gain on disposal of property, plant and equipment		(2)	(110)	(1)	(110)
Impairment loss on property, plant and equipment		-	5,326	-	-
Impairment loss on:					
- amounts owing by subsidiaries		-	-	1,857	260
- investment in subsidiaries		-	-	1,619	10,965
- trade receivables		-	1	-	-
Interest income		(994)	(1,447)	(752)	(1,212)
Property, plant and equipment written off		9	4	-	-
Rental income		-	-	(117)	(100)
Reversal of impairment loss on property, plant and equipment		(21,351)	-	-	-
Reversal of impairment loss on trade and other receivables		(3,180)	(2,764)	(173)	(831)
Net forex exchange (gain)/loss:					
- realised		(454)	88	-	-
- unrealised		(29)	(1)	2	(1)

24. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Wages and salaries	9,251	9,823	2,112	2,639
Defined contribution plan	930	881	214	221
Social security contribution	124	106	18	16
Other staff related expenses	410	666	209	538
	10,715	11,476	2,553	3,414

NOTES TO THE FINANCIAL STATEMENTS

cont'd

24. EMPLOYEE BENEFITS EXPENSE *cont'd*

Included in employee benefits expenses are:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Directors of the Company				
Executive:				
Salaries, bonus and emoluments	750	1,925	750	1,475
Benefits-in-kind	85	41	85	41
	835	1,966	835	1,516
Non-executive:				
Fees	150	150	150	150
Allowances	19	19	19	19
	169	169	169	169
	1,004	2,135	1,004	1,685
Directors of subsidiaries				
Salaries, bonus and emoluments	251	516	-	-
Defined contribution plan	30	-	-	-
Benefits-in-kind	9	9	-	-
	290	525	-	-
	1,294	2,660	1,004	1,685

NOTES TO THE FINANCIAL STATEMENTS

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25. TAX (CREDIT)/EXPENSE

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Statements of comprehensive income				
Current income tax:				
Current income tax charge	69	47	-	-
Adjustment in respect of prior years	26	171	-	173
	95	218	-	173
Deferred tax (Note 17):				
Origination and reversal of temporary differences	(536)	(268)	-	-
Adjustment in respect of prior years	30	244	-	-
	(506)	(24)	-	-
Total (credit)/expense	(411)	194	-	173

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024: 24%) of the estimated assessable profit/(loss) for the financial year.

The reconciliations from the tax amount at statutory income tax rate to the Group's and the Company's tax (credit)/expense are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before tax	885	(24,087)	(6,586)	(13,692)
Tax at Malaysian statutory income tax rate of 24% (2024: 24%)	212	(5,781)	(1,581)	(3,286)
Different tax rates in other countries	299	80	-	-
Income not subject to tax	(6,652)	(260)	(265)	(395)
Expenses not deductible for tax purposes	2,030	2,850	1,800	3,632
Utilisation of previously unrecognised deferred tax assets	(444)	(569)	-	-
Deferred tax assets not recognised during the financial year	4,088	3,459	46	49
Adjustment in respect of current income tax of prior years	26	171	-	173
Adjustment in respect of deferred tax of prior years	30	244	-	-
Total (credit)/expense	(411)	194	-	173

NOTES TO THE FINANCIAL STATEMENTS

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26. LOSS PER SHARE

Basic loss per ordinary share

Basic loss per share amounts are based on loss for the financial year attributable to owners of the Company and the weighted average number of ordinary shares in issue during the financial year, calculated as follows:

	Group	
	2025	2024
	RM'000	RM'000
Loss attributable to the owners of the Company	(2,042)	(16,075)
Weighted average number of ordinary shares for basic loss per share (unit'000)	1,168,028	1,168,028
Basic loss per share (sen)	(0.17)	(1.37)

Diluted earnings per ordinary share

The diluted loss per ordinary share of the Group for the financial year ended 31 July 2025 are same as the basic earnings per ordinary share of the Group as the Company has no dilutive potential ordinary shares.

27. COMMITMENTS

The Group has made commitments for the following capital expenditures:

	Group	
	2025	2024
	RM'000	RM'000
In respect of capital expenditure for property, plant and equipment:		
- Approved and contracted	-	81,979

NOTES TO THE FINANCIAL STATEMENTS

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28. RELATED PARTIES

(a) Identity of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:

- (i) Company's holding company;
- (ii) Subsidiaries;
- (iii) Entities in which directors have substantial financial interests; and
- (iv) Key management personnel of the Group and the Company, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

(b) Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	Group	
	2025 RM'000	2024 RM'000
Transactions with corporations in which certain directors of the Company are deemed related through their directorship and/or financial interest in George Kent (Malaysia) Berhad are as follows:		
- Purchase of goods and services	85,899	8,428
- Dividend processing fee received/receivable	(12)	(12)
- Sales of property, plant and equipment	-	(110)
- Share maintenance fee received/receivable	(40)	(42)
- Others	(1)	(8)
	Company	
	2025 RM'000	2024 RM'000
Transactions with subsidiaries are as follows:		
- Interest income	(13)	(14)
- Management fees received/receivable	(60)	(60)
- Rental income	(117)	(100)
- Secretarial fee paid/payable	99	103
- Others	12	-

NOTES TO THE FINANCIAL STATEMENTS

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28. RELATED PARTIES *cont'd*

(c) Compensation of key management personnel

Key management personnel include personnel having authority and responsibility for planning, directing and controlling the activities of the entities, directly or indirectly, including any director of the Group and of the Company.

The remuneration of the key management personnel is as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Short-term employees benefits	2,141	3,430	1,881	2,510
Defined contribution plan	135	151	105	96
	2,276	3,581	1,986	2,606

29. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

	Carrying amount	Amortised cost	FVPL
	RM'000	RM'000	RM'000
2025			
Financial assets			
Group			
Trade and other receivables, excluding prepayments	4,494	4,494	-
Deposits, cash and bank balances	41,622	41,622	-
Other investments	8,374	-	8,374
	54,490	46,116	8,374
Company			
Trade and other receivables, excluding prepayments	22,908	22,908	-
Deposits, cash and bank balances	6,820	6,820	-
	29,728	29,728	-

NOTES TO THE FINANCIAL STATEMENTS

cont'd

29. FINANCIAL INSTRUMENTS *cont'd*

(a) Categories of financial instruments *cont'd*

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned: *cont'd*

	Carrying amount RM'000	Amortised cost RM'000	FVPL RM'000
2025 <i>cont'd</i>			
Financial liabilities			
Group			
Trade and other payables	96,155	96,155	-
Loan and borrowings	26,065	26,065	-
	122,220	122,220	-
Company			
Trade and other payables	74,132	74,132	-
Hire purchase payable	410	410	-
	74,542	74,542	-
	Carrying amount RM	Amortised cost RM	FVPL RM
2024			
Financial assets			
Group			
Trade and other receivables, excluding prepayments	4,132	4,132	-
Deposits, cash and bank balances	45,209	45,209	-
Other investments	11,087	-	11,087
	60,428	49,341	11,087
Company			
Trade and other receivables, excluding prepayments	27,265	27,265	-
Deposits, cash and bank balances	34,304	34,304	-
	61,569	61,569	-

NOTES TO THE FINANCIAL STATEMENTS

cont'd

29. FINANCIAL INSTRUMENTS *cont'd*

(a) Categories of financial instruments *cont'd*

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned: *cont'd*

	Carrying amount RM	Amortised cost RM	FVPL RM
Financial liabilities			
Group			
Trade and other payables	54,042	54,042	-
Hire purchase payable	616	616	-
	54,658	54,658	-
Company			
Trade and other payables	68,721	68,721	-
Hire purchase payable	515	515	-
	69,236	69,236	-

(b) Financial risk management

The Group's and the Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, foreign currency risk, interest rate risk and market price risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders. The Group and the Company do not trade in financial instruments.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's senior management. The audit committee provides independent oversight to the effectiveness of the risk management process.

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk from its operating activities (primarily trade receivables). The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's and the Company's exposure to bad debts is not significant.

The credit risk of the Group's and of the Company's other financial assets, which comprise deposit, cash and bank balances arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

29. FINANCIAL INSTRUMENTS cont'd

(b) Financial risk management cont'd

(i) Credit risk cont'd

The Group and the Company do not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial assets.

Trade receivables

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statements of financial position.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date are as follows:

	Group			
	2025		2024	
	RM'000	%	RM'000	%
By country:				
Malaysia	2,114	100%	176	98%
Singapore	-	0%	4	2%
	2,114	100%	180	100%
By segment:				
Credit and charge cards business and hospitality	171	8%	127	71%
General trading	1,925	91%	7	4%
Healthcare products	16	1%	15	8%
Investment holding and secretarial services	2	0%	31	17%
	2,114	100%	180	100%

The Group applies the simplified approach to provide for impairment losses prescribed by MFRS 9 *Financial Instruments*, which permits the use of the lifetime expected losses provision for all trade receivables. To measure the impairment losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The impairment losses also incorporate forward looking information.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

29. FINANCIAL INSTRUMENTS *cont'd*

(b) Financial risk management *cont'd*

(i) Credit risk *cont'd*

Trade receivables *cont'd*

The information about the credit risk exposure on the Group's trade receivables using the provision matrix are as follows:

	Gross carrying amount at default RM'000
Group	
At 31 July 2025	
Current	1,056
1-30 days past due	414
31-90 days past due	613
91-360 days past due	8
>360 days past due	23
	2,114
Impairment losses	54,942
	57,056
At 31 July 2024	
Current	130
1-30 days past due	3
31-90 days past due	2
91-360 days past due	9
>360 days past due	36
	180
Impairment losses	58,480
	58,660

NOTES TO THE FINANCIAL STATEMENTS

cont'd

29. FINANCIAL INSTRUMENTS *cont'd*

(b) Financial risk management *cont'd*

(i) Credit risk *cont'd*

Other receivables and other financial assets

For other receivables and other financial assets (including investment securities and cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

Some intercompany loans between entities within the Group are repayable on demand. For loans that are repayable on demand, impairment losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the loan is demanded, the Company will consider the expected manner of recovery and recovery period of the intercompany loan.

As at the end of the reporting date, the Group and the Company consider the other receivables and other financial assets as low risk and did not recognise any loss allowance for impairment for other receivables and other financial assets.

(ii) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arise principally from trade and other payables and loans and borrowings.

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by facilities. The Group and the Company maintain sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements.

The Group and the Company recorded net operating cash outflows of RM50,458,000 and RM3,251,000 respectively. The Group has prepared a cash flow forecast to consider the availability of funds in supporting the management of liquidity risk that the Group will have sufficient financial resources for a period of at least 12 months from the end of the financial year. Significant assumption and judgements are used in the preparation of the cash flow forecast.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

29. FINANCIAL INSTRUMENTS cont'd

(b) Financial risk management cont'd

(ii) Liquidity risk cont'd

Maturity analysis

The maturity analysis of the Group's and of the Company's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows:

Group	Carrying amount RM'000	Contractual undiscounted cash flows			Total RM'000
		On demand or within 1 year RM'000	Between 1 and 5 years RM'000	More than 5 years RM'000	
2025					
Financial liabilities:					
Trade and other payables	96,155	54,259	44,568	-	98,827
Hire purchase payables	487	154	378	-	532
Lease liabilities	2,246	594	1,876	-	2,470
Term loan	25,578	1,175	30,278	-	31,453
	124,466	56,182	77,100	-	133,282
2024					
Financial liabilities:					
Trade and other payables	54,042	54,042	-	-	54,042
Hire purchase payable	616	154	532	-	686
Lease liabilities	2,755	592	2,326	177	3,095
	57,413	54,788	2,858	177	57,823

NOTES TO THE FINANCIAL STATEMENTS

cont'd

29. FINANCIAL INSTRUMENTS cont'd

(b) Financial risk management cont'd

(ii) Liquidity risk cont'd

Maturity analysis cont'd

The maturity analysis of the Group's and of the Company's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows: cont'd

Company	Contractual undiscounted cash flows				
	Carrying amount	On demand or within 1 year	Between 1 and 5 years	More than 5 years	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
2025					
Financial liabilities:					
Trade and other payables	74,132	74,132	-	-	74,132
Hire purchase payable	410	127	317	-	444
Lease liabilities	2,089	532	1,772	-	2,304
	76,631	74,791	2,089	-	76,880
2024					
Financial liabilities:					
Trade and other payables	68,721	68,721	-	-	68,721
Hire purchase payable	515	127	443	-	570
Lease liabilities	2,514	532	2,127	177	2,836
	71,750	69,380	2,570	177	72,127

NOTES TO THE FINANCIAL STATEMENTS

cont'd

29. FINANCIAL INSTRUMENTS *cont'd*

(b) Financial risk management *cont'd*

(iii) Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates.

The Group and the Company are exposed to transactional currency risk primarily through sales and purchases that are denominated in a currency other than the functional currency of the operations to which they relate and the Group's net investments in foreign subsidiaries. The currency giving rise to this risk are primarily Hong Kong Dollar ("HKD"), Singapore Dollar ("SGD") and United States Dollar ("USD"). Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

The Group's net unhedged financial assets and financial liabilities of the Group that are not denominated in their functional currencies are as follows:

	HKD RM'000	SGD RM'000	USD RM'000	Total RM'000
Functional currency of the Group				
At 31 July 2025				
Ringgit Malaysia	-	237	2,352	2,589
United States Dollars	(20)	924	-	904
	(20)	1,161	2,352	3,493
At 31 July 2024				
Ringgit Malaysia	-	257	539	796
United States Dollars	(20)	1,054	-	1,034
	(20)	1,311	539	1,830

NOTES TO THE FINANCIAL STATEMENTS

cont'd

29. FINANCIAL INSTRUMENTS cont'd

(b) Financial risk management cont'd

(iii) Foreign currency risk cont'd

Sensitivity analysis

The following table demonstrates the sensitivity of the Group's profit/(loss) net of tax to reasonably possible change in the HKD, SGD and USD exchange rates against the respective functional currency of the Group, with all other variables held constant:

		Effect on profit/ (loss) after tax for the financial year	
	Change in rate	2025 RM'000	2024 RM'000
Group			
- HKD	+ 5%	(1)	1
	- 5%	1	(1)
- SGD	+ 5%	44	(50)
	- 5%	(44)	50
- USD	+ 5%	89	(20)
	- 5%	(89)	20

(iv) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's financial instruments as a result of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from its term loan with floating interest rates. The Group's policy to manage its interest rate risk is to hedge all material floating rate borrowings using interest rate swaps.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's total equity and profit for the financial year.

	Change in basis point	Effect on profit for the financial year RM'000	Effect on equity RM'000
Group:			
31 July 2025	+ 100	(19)	(19)
	- 100	19	19

NOTES TO THE FINANCIAL STATEMENTS

cont'd

29. FINANCIAL INSTRUMENTS *cont'd*

(b) Financial risk management *cont'd*

(i) Market price risk

Market price risk is the risk of fluctuation in fair value or future cash flows of the Group's financial instruments, as a result of changes in market price (other than interest or exchange rates). The Group's investments in quoted equity instruments are subject to market price risk.

Sensitivity analysis for equity price risk

The following table demonstrates the sensitivity to a reasonably change in the share price, with all other variables held constant on the Group's total equity and profit/(loss) for the financial year.

	Change in % of share price	Effect on profit/(loss) for the financial year RM'000	Effect on equity RM'000
Group:			
31 July 2025	+ 5%	318	318
	- 5%	(318)	(318)
31 July 2024	+ 5%	(421)	(421)
	- 5%	421	421

(c) Fair value measurement

The carrying amounts of deposits, cash and bank balances, short-term receivables and payables, and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

The fair value of the short-term fund is determined by reference to redemption price at the end of the reporting period.

The carrying amounts of long-term floating rate term loans is reasonable approximation of fair values as the loans will be re-priced to market interest rate on or near reporting date.

There have been no transfers between Level 1 and Level 2 during the financial year (2024: no transfer in either directions).

NOTES TO THE FINANCIAL STATEMENTS

cont'd

29. FINANCIAL INSTRUMENTS cont'd

(c) Fair value measurement

The following table provides the fair value measurement hierarchy of the Group's and the Company's financial instruments:

Group	Carrying amount RM'000	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total	RM'000	RM'000	RM'000	RM'000	RM'000	Total	RM'000
		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000								
2025															
Financial assets															
Other investments	8,374	8,374	-	-	-	-	-	8,374							-
Financial liabilities															
Term loan	25,578	-	-	-	-	-	-	-					25,578		25,578
Hire purchase payables	487	-	-	-	-	-	-	-					487		487
	26,065	-	-	-	-	-	-	-					26,065		26,065
2024															
Financial assets															
Other investments	11,087	11,087	-	-	-	-	-	11,087					-		-
Financial liabilities															
Hire purchase payables	616	-	-	-	-	-	-	-					616		616
Company															
2025															
Financial liabilities															
Hire purchase payables	410	-	-	-	-	-	-	-					410		410
2024															
Financial liabilities															
Hire purchase payables	515	-	-	-	-	-	-	-					515		515

NOTES TO THE FINANCIAL STATEMENTS

cont'd

30. SEGMENT INFORMATION

The Group prepared the following segment information in accordance with MFRS 8 *Operating Segments* based on the internal reports of the Group's strategic business units which are regularly reviewed by the Group's Managing Director and Finance Manager for the purpose of making decisions about resource allocation and performance assessment.

The five reportable operating segments are as follows:

- (i) General trading;
- (ii) Property;
- (iii) Hospitality and card services;
- (iv) Investment holding and secretarial services; and
- (v) Healthcare products

Other non-reportable segment comprises dormant companies.

The directors are of the opinion that all inter-segment transactions have been entered in the normal course of business and have been established on terms and conditions that are mutually agreed upon.

Segment profit

Segment performance is used to measure performance as Group's Managing Director and Finance Manager believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Performance is evaluated based on operating profit or loss which is measured differently from operating profit or loss in the consolidated financial statements.

Segment assets and liabilities

The total of segment assets and liabilities are measured based on all assets and liabilities of a segment, as included in the internal reports that are reviewed by the Group's Managing Director and Finance Manager.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

30. SEGMENT INFORMATION cont'd

2025	Note	General trading RM'000	Property RM'000	Hospitality & card services RM'000	Investment holding & secretarial services RM'000	Healthcare products RM'000	Others RM'000	Adjustments and eliminations RM'000	Total RM'000
Revenue									
Revenue from external customers	(a)	12,657	-	5,720	572	7,429	-	-	26,378
Inter-segment revenue	(b)	-	-	3	198	-	-	(201)	-
Total revenue		12,657	-	5,723	770	7,429	-	(201)	26,378
Results									
<i>Included in the measure of segment loss are:</i>									
Depreciation and amortisation	(b)	-	-	(2,184)	(531)	(5,343)	-	-	(8,058)
Finance costs		-	-	(8)	(145)	(70)	-	13	(210)
Fair value loss on investment properties		-	(2,920)	-	(930)	-	-	-	(3,850)
Fair value loss on other investments		-	-	-	(2,968)	-	-	255	(2,713)
Unrealised (loss)/gain on foreign exchange		-	-	-	(2)	31	-	-	29
Gain on disposal of property, plant and equipment		-	-	1	1	-	-	-	2
Gain on remeasurement of payable		-	-	-	-	1,579	-	-	1,579
Bad debts recovered		-	-	-	126	-	-	-	126
Bad debts written off		-	-	(984)	(106)	-	-	1,087	(3)
Impairment loss on trade and other receivables		(5)	-	-	(28,422)	-	-	28,427	-

NOTES TO THE FINANCIAL STATEMENTS

cont'd

30. SEGMENT INFORMATION cont'd

2025	cont'd	Note	General trading RM'000	Property RM'000	Hospitality & card services RM'000	Investment holding & secretarial services RM'000	Healthcare products RM'000	Others RM'000	Adjustments and eliminations RM'000	Total RM'000
Results										
<i>Included in the measure of segment loss are:</i>										
<i>cont'd</i>										
Reversal of impairment loss on property, plant and equipment										
			-	-	-	-	(21,351)	-	-	(21,351)
Interest income										
			2	13	69	844	66	-	-	994
Property, plant and equipment written off										
			-	(2)	-	-	(7)	-	-	(9)
Reversal of impairment loss on trade and other receivables										
			-	-	3,119	234	-	-	(173)	3,180
Segment profit/(loss)										
			150	(3,065)	570	(34,754)	10,650	(17)	27,351	885
Tax (expense)/credit										
			(7)	-	483	(65)	-	-	-	411
Profit/(Loss) for the financial year										
			143	(3,065)	1,053	(34,819)	10,650	(17)	27,351	1,296
Assets:										
Additions to non-current assets										
		(c)	-	-	598	5	81,445	-	-	82,048
Segment assets										
		(d)	2,357	65,579	85,178	1,160,822	204,417	2	(1,155,100)	363,255
Liabilities:										
Segment liabilities										
		(e)	11,520	53,456	58,485	791,771	94,281	911	(858,053)	152,371

NOTES TO THE FINANCIAL STATEMENTS

cont'd

30. SEGMENT INFORMATION cont'd

2024	Note	General trading RM'000	Property RM'000	Hospitality & card services RM'000	Investment holding & secretarial services RM'000	Healthcare products RM'000	Others RM'000	Adjustments and eliminations RM'000	Total RM'000
Revenue									
Revenue from external customers	(a)	9,511	-	5,572	620	6,906	-	-	22,609
Inter-segment revenue	(b)	-	-	11	200	-	-	(211)	-
Total revenue		9,511	-	5,583	820	6,906	-	(211)	22,609
Results									
<i>Included in the measure of segment loss are:</i>									
Depreciation and amortisation	(b)	-	-	(2,202)	(503)	(3,299)	-	-	(6,004)
Finance costs		-	-	(9)	(129)	(4)	-	14	(128)
Fair value loss on investment properties		-	-	-	(360)	-	-	-	(360)
Fair value loss on other investments		-	-	-	(118)	-	-	-	(118)
Unrealised (loss)/gain on foreign exchange		-	-	-	(4)	5	-	-	1
Gain on disposal of property, plant and equipment		-	-	-	110	-	-	-	110
Bad debts recovered		-	-	-	148	-	-	-	148
Bad debts written off		-	-	-	(831)	-	-	831	-
Impairment loss on goodwill		(3)	-	-	-	-	-	-	(3)
Impairment loss on trade and other receivables		(1)	-	-	(66,119)	(7)	-	66,126	(1)

NOTES TO THE FINANCIAL STATEMENTS

cont'd

30. SEGMENT INFORMATION cont'd

2024	cont'd	Note	General trading RM'000	Property RM'000	Hospitality & card services RM'000	Investment holding & secretarial services RM'000	Healthcare products RM'000	Others RM'000	Adjustments and eliminations RM'000	Total RM'000
Results										
<i>Included in the measure of segment loss are:</i>										
<i>cont'd</i>										
Impairment loss on property, plant and equipment										
			-	-	-	-	(5,326)	-	-	(5,326)
Interest income										
			53	4	42	1,291	57	-	-	1,447
Property, plant and equipment written off										
			-	-	-	-	(4)	-	-	(4)
Reversal of impairment loss on trade receivables										
			-	-	2,715	49	-	-	-	2,764
Segment loss										
			(50)	(150)	(300)	(70,308)	(19,426)	(15)	66,162	(24,087)
Tax (expense)/credit										
			-	-	20	(214)	-	-	-	(194)
Loss for the financial year										
			(50)	(150)	(280)	(70,522)	(19,426)	(15)	66,162	(24,281)
Assets:										
Additions to non-current assets										
		(c)	3	-	634	3,336	8,520	-	-	12,493
Segment assets										
		(d)	63	68,192	86,328	1,166,186	97,521	2	(1,148,143)	270,149
Liabilities:										
Segment liabilities										
		(e)	9,369	25,788	87,691	761,693	55,515	895	(856,001)	84,950

NOTES TO THE FINANCIAL STATEMENTS

cont'd

30. SEGMENT INFORMATION cont'd

Reconciliation of reportable segment revenue, profit or loss, assets and liabilities to the corresponding amounts of the Group are as follows:

(a) Revenue

	2025 RM'000	2024 RM'000
Revenue of the Group per consolidated statement of profit or loss and other comprehensive income	26,378	22,609

(b) Inter-segment revenue, income and expenses are eliminated on consolidation.

(c) Additions to non-current assets consist of:

	2025 RM'000	2024 RM'000
Intangible assets	-	3
Property, plant and equipment	82,048	12,490
	82,048	12,493

(d) Inter-segment assets are deducted from segment assets to arrive at total assets reported in the statements of financial position.

(e) Inter-segment liabilities are deducted from segment liabilities to arrive at total liabilities reported in the statements of financial position.

Geographical information

Revenue and non-current assets information based on the geographical location of customers are as follows:

	Revenue RM'000	Non-current assets RM'000
2025		
Malaysia	26,378	301,417
2024		
Malaysia	22,609	205,625

NOTES TO THE FINANCIAL STATEMENTS

cont'd

30. SEGMENT INFORMATION *cont'd*

Geographical information *cont'd*

Non-current assets information presented above consists of the following items as presented in the consolidated statement of financial position:

	2025 RM'000	2024 RM'000
Property, plant and equipment	265,150	165,501
Investment properties	36,190	40,040
Inventories	30	30
Intangible assets	47	54
	301,417	205,625

31. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratio in order to support their business and maximise shareholders' value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payments to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 July 2025 and 31 July 2024.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt comprises loans and borrowings, lease liabilities and trade and other payables, less short-term fund, deposits, cash and bank balances whereas total capital comprises the equity attributable to the owners of the Group and the Company.

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Loan and borrowings	28,311	3,371	2,499	3,029
Trade and other payables	96,155	54,042	74,132	68,721
Deposits, cash and bank balances	(41,622)	(45,209)	(6,820)	(34,304)
Net debt	82,844	12,204	69,811	37,446
Equity attributable to the owners of the Company				
Total capital	164,561	165,258	87,513	94,099
Capital and net debt	247,405	177,462	157,324	131,545
Gearing ratio	33%	7%	44%	28%

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

We, **DATO' AHMAD KHAIRUMMUZAMMIL BIN MOHD YUSOFF** and **PUAN SRI DATIN TAN SWEE BEE**, being two of the directors of Johan Holdings Berhad, do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 75 to 151 are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 July 2025 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of directors:

DATO' AHMAD KHAIRUMMUZAMMIL BIN MOHD YUSOFF
Director

PUAN SRI DATIN TAN SWEE BEE
Director

Date: 18 November 2025

STATUTORY DECLARATION

Pursuant to Section 251(1) of the Companies Act 2016

I, **LEE TECK SIONG**, being the officer primarily responsible for the financial management of Johan Holdings Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 75 to 151 are correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

LEE TECK SIONG
MIA Membership No.: 47078

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 18 November 2025.

Before me,

SHOBANA SHALLENI (No. W971)
COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT

To the Members of Johan Holdings Berhad
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Johan Holdings Berhad, which comprise the statements of financial position as at 31 July 2025 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 75 to 151.

In our opinion, the accompanying financial statements give true and fair view of the financial position of the Group and of the Company as at 31 July 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT

To the Members of Johan Holdings Berhad
(Incorporated in Malaysia)
cont'd

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Group

Impairment testing on property, plant and equipment (Notes 4(a) and 5 to the financial statements)

The Group determined that indication of impairment of property, plant and equipment existed at the end of the financial year and, accordingly, had performed impairment testing on those assets. The Group performed an impairment assessment to estimate the recoverable amount of these assets based on information provided and the valuation performed by an external independent valuer which requires significant judgement by directors in key assumptions used.

Our audit response:

Our audit procedures included, among others:

- considering and evaluating the appropriateness of the methodology and method adopted by the Group in measuring the recoverable amount is in accordance to the requirements of MFRS 136 *Impairment of Assets*;
- considering the competence, capabilities and objectivity of the external valuers which includes consideration of their qualifications and experience;
- understanding the scope and objective of the valuation by reading the terms of engagement;
- reading the valuation reports and discussing with external valuer on their valuation approach and the significant judgements they made; and
- understanding the relevance of the key input data used by the external valuers.

Valuation of investment properties (Notes 4(b) and 6 to the financial statements)

The carrying amount of investment properties is RM36,190,000 as at 31 July 2025. The Group estimated the fair value of the investment properties based on information provided and the market valuation performed by an external independent valuer. We focused on this area because the estimation of recoverable amount and fair value of investment properties requires significant judgement by directors in key assumptions used.

Our audit response:

Our audit procedures included, among others:

- considering the competence, capabilities and objectivity of the external valuers which includes consideration of their qualifications and experience;
- understanding the scope and objective of the valuation by reading the terms of engagement;
- reading the valuation reports and discussing with external valuer on their valuation approach and the significant judgements they made; and
- understanding the relevance of the key input data used by the external valuers.

INDEPENDENT AUDITORS' REPORT

To the Members of Johan Holdings Berhad
(Incorporated in Malaysia)
cont'd

Key Audit Matters *cont'd*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. *cont'd*

Group *cont'd*

Inventories (Notes 4(c) and 7 to the financial statements)

The carrying amount of the inventories of the Group is RM6,636,000 as at 31 July 2025. The Group's policy is to state the inventories at the lower of cost and net realisable value. The review of saleability and valuation of inventories at the lower of cost and net realisable value are an area of significant judgement and estimate by directors. The Group specifically analyses sales trend and current economic trends when making a judgement to evaluate the adequacy of the write-down of obsolete or slow moving inventories. Where expectations differ from the original estimates, the differences will impact the carrying amount of inventories.

We focused on this area due to significance of the value of inventories as part of the total assets.

Our audit response:

Our audit procedures included, among others:

- checking subsequent sales and understanding the Group's assessment on estimated net realisable value on selected inventory items;
- discussing with the Directors on the Group's assessment on net realisable value;
- discussing with the Directors whether the inventories have been written down to their net realisable values for inventory items with net realisable values less than their costs; and
- observing physical inventory count to observe physical existence and condition of certain inventories.

Funding requirements and ability to meet short term obligations (Notes 4(d) and 29(b)(ii) to the financial statements)

The Group recorded net operating cash outflows for the financial year ended 31 July 2025.

The Group has prepared a cash flow forecast to consider the availability of funds in supporting the management of liquidity risk that the Group will have sufficient financial resources for a period of at least 12 months from the end of the financial year.

We focused on this area due to the significant amount of the short term liabilities and significant directors' judgement and estimates involved in the preparation of the cash flow forecast.

Our response:

Our audit procedures included, among others:

- reading and discussing the cash flow forecast prepared by the Group;
- reviewing the Group's assumptions in the cash flow forecast in relation to key inputs;
- performing stress tests for a range of reasonably possible scenarios; and
- testing the mathematical accuracy of the cash flow forecast calculation.

INDEPENDENT AUDITORS' REPORT

To the Members of Johan Holdings Berhad
(Incorporated in Malaysia)
cont'd

Key Audit Matters *cont'd*

Company

We have determined that there are no key audit matters to be communicated in our report which arise from the audit of the financial statements of the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT

To the Members of Johan Holdings Berhad
(Incorporated in Malaysia)
cont'd

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT

To the Members of Johan Holdings Berhad
(Incorporated in Malaysia)
cont'd

Auditors' Responsibilities for the Audit of the Financial Statements *cont'd*

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 9 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the contents of this report.

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Kuala Lumpur

Date: 18 November 2025

Jason Wong Yew Ming
No. 03668/06/2026 J
Chartered Accountant

ANALYSIS OF SHAREHOLDINGS

As at 31 October 2025

SHARE CAPITAL INFORMATION

Total Number of Issued Shares : 1,168,028,440
 Class of Securities : Ordinary Shares
 Voting Rights : One (1) vote per Ordinary Share

DISTRIBUTION OF SHAREHOLDINGS

No. of Holders	%	Size of Holdings	Total Holdings	%
107	1.59	Less than 100 shares	3,325	0.00
1,839	27.29	100 to 1,000 shares	1,626,255	0.14
2,845	42.21	1,001 to 10,000 shares	12,553,205	1.07
1,382	20.50	10,001 to 100,000 shares	56,023,392	4.80
564	8.37	100,001 to less than 5% of issued shares	529,083,679	45.30
3	0.04	5% and above of issued shares	568,738,584	48.69
6,740	100.00	Total	1,168,028,440	100.00

LIST OF THIRTY LARGEST REGISTERED SHAREHOLDERS

(as shown in the Record of Depositors)

No.	Name of Shareholders	No. of Shares Held	%
1	MUSTIKA MANIS SDN BHD	350,408,140	30.00
2	KURNIA MENANG SDN BHD	111,414,919	9.54
3	CITIGROUP NOMINEES (ASING) SDN BHD <i>BANK OF SINGAPORE LIMITED FOR STAR WEALTH INVESTMENT LIMITED</i>	106,915,525	9.15
4	CITIGROUP NOMINEES (ASING) SDN BHD <i>BANK OF SINGAPORE LIMITED FOR KIN FAI INTERNATIONAL LIMITED</i>	56,134,500	4.81
5	CIMB GROUP NOMINEES (ASING) SDN. BHD. <i>EXEMPT AN FOR DBS BANK LTD (SFS-PB)</i>	46,012,500	3.94
6	APMS INVESTMENT FUND LTD	45,750,000	3.92
7	DB (MALAYSIA) NOMINEE (ASING) SDN BHD <i>DEUTSCHE BANK AG SINGAPORE FOR ALBULA INVESTMENT FUND LIMITED</i>	45,000,750	3.85
8	CITIGROUP NOMINEES (ASING) SDN BHD <i>BANK OF SINGAPORE LIMITED FOR KWOK HENG HOLDINGS LIMITED</i>	37,791,000	3.24
9	LOTUS GLOBAL INVESTMENTS LTD	30,577,700	2.62
10	CITIGROUP NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR UBS SWITZERLAND AG (CLIENTS ASSETS)</i>	12,000,000	1.03
11	RCI VENTURES SDN BHD	8,325,000	0.71

ANALYSIS OF SHAREHOLDINGS

As at 31 October 2025

cont'd

LIST OF THIRTY LARGEST REGISTERED SHAREHOLDERS *cont'd* (as shown in the Record of Depositors)

No.	Name of Shareholders	No. of Shares Held	%
12	RHB NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR PHILLIP SECURITIES PTE. LTD. (A/C CLIENTS)</i>	6,927,400	0.59
13	WAN SAU LEONG	5,109,800	0.44
14	TING JER HUAN	4,683,000	0.40
15	MEGA FIRST HOUSING DEVELOPMENT SDN BHD	4,251,300	0.36
16	NG CHIUN WEI	3,200,000	0.27
17	HK WONG HOLDINGS SDN BHD	3,000,000	0.26
18	LOH NYOU CHOO	3,000,000	0.26
19	ACO-BINA SDN BHD	2,700,000	0.23
20	CHAN TIN WAI	2,500,000	0.21
21	YICK HOE FERROUS STEEL SDN. BHD.	2,500,000	0.21
22	MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>HUON CHEK NGIE</i>	2,500,000	0.21
23	CHOON SIEW WAH	2,398,500	0.21
24	SITI MUNAJAT BINTI MD GHAZALI	2,250,000	0.19
25	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR LOO SAY GUAN (LOO0121C)</i>	2,222,000	0.19
26	RHB NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR CHIN KIAM HSUNG</i>	2,132,000	0.18
27	PUBLIC NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TAN CHIA HONG @ GAN CHIA HONG(E-TMR)</i>	2,103,700	0.18
28	CHONG YEW MUN	2,100,000	0.18
29	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR NG GEOK WAH (B BRKLANG-CL)</i>	2,000,000	0.17
30	LEE HENG CHUAN	1,755,000	0.15
		907,662,734	77.70

ANALYSIS OF SHAREHOLDINGS

As at 31 October 2025

cont'd

SUBSTANTIAL SHAREHOLDERS AS AT 31 OCTOBER 2025

(as per Register of Substantial Shareholders)

Name of Substantial Shareholder	Direct Interest	No. of Ordinary Shares		Deemed Interest	%
		%			
Tan Sri Dato' Tan Kay Hock	-	-	708,676,584*	60.67	
Puan Sri Datin Tan Swee Bee	-	-	708,676,584*	60.67	
Sky Wealth Ventures Limited	-	-	597,261,665*	51.13	
Mustika Manis Sdn Bhd	350,408,140	30.00	-	-	
Star Wealth Investment Limited	106,915,525	9.15	-	-	
Kurnia Menang Sdn Bhd	111,414,919	9.54	-	-	

Notes:-

* Deemed interested by virtue of Tan Sri Dato' Tan Kay Hock and Puan Sri Datin Tan Swee Bee's joint equity interest of 100% in Sky Wealth Ventures Limited which in turn holds 100% equity interest in Mustika Manis Sdn Bhd, Kin Fai International Limited, Kwok Heng Holdings Limited, Suncrown Holdings Limited and Star Wealth Investment Limited. In addition, Tan Sri Dato' Tan Kay Hock and Puan Sri Datin Tan Swee Bee each hold 50% direct equity interest in Kurnia Menang Sdn Bhd.

DIRECTORS' INTEREST IN SHARES AS AT 31 OCTOBER 2025

(as per the Register of Directors' Shareholdings)

Name of Director	Direct Interest	No. of Ordinary Shares		Deemed Interest	%
		%			
Tan Sri Dato' Tan Kay Hock	-	-	708,676,584*	60.67	
Puan Sri Datin Tan Swee Bee	-	-	708,676,584*	60.67	
Dato' Ahmad Khairummuzammil Bin Mohd Yusoff	-	-	-	-	
Tan Poh Meng	-	-	-	-	
Mahathir Bin Mahzan	-	-	-	-	

Notes:-

* Deemed interested by virtue of Tan Sri Dato' Tan Kay Hock and Puan Sri Datin Tan Swee Bee's joint equity interest of 100% in Sky Wealth Ventures Limited which in turn holds 100% equity interest in Mustika Manis Sdn Bhd, Kin Fai International Limited, Kwok Heng Holdings Limited, Suncrown Holdings Limited and Star Wealth Investment Limited. In addition, Tan Sri Dato' Tan Kay Hock and Puan Sri Datin Tan Swee Bee each hold 50% direct equity interest in Kurnia Menang Sdn Bhd.

Holding Company

- Sky Wealth Ventures Limited

Name of Director	Direct Interest	No. of Ordinary Shares		Deemed Interest	%
		%			
Tan Sri Dato' Tan Kay Hock and Puan Sri Datin Tan Swee Bee (Joint holder)	2	100	-	-	

LIST OF PROPERTIES HELD

As at 31 July 2025

Location	Description	Area Sq. metre	Tenure	Net Book Value RM'000	Age of Building (Years)	Year of Revaluation	Year of Acquisition
MALAYSIA							
Lot 1104 Jalan Titi Panjang 32200 Lumut, Perak	Marine Club	12,142	Leasehold – Expiring 29.4.2093	11,065	32	2025	1996
Lot 1025 Mukim Lumut Daerah Manjung Perak Darul Ridzuan	Hotel	13,167	Leasehold – Expiring 14.1.2092	35,710	32	2025	1992
Lot No. 15096 & Lot No. 15098 Pulau Pangkor Mukim Lumut Daerah Manjung	Leasehold land	58.73 acres	Leasehold – Expiring 4.5.2094	23,325	-	2025	1995
Lot No. 15528 Mukim of Lumut District of Manjung Perak Darul Ridzuan	Offices, factory and warehouse	71,980	Leasehold – Expiring 9.7.2105	78,721	24	2025	2021
Unit No. S01-13, S01-03, S01-05, S01-06 USJ One Persiaran Subang Permai, USJ 1 47500 Subang Jaya Selangor Darul Ehsan	Retail units	1,136	Freehold	5,730	-	2025	2019
PT 348 No. 1 Jalan 22/6, Seksyen 22 40300 Shah Alam Selangor Darul Ehsan	Three-storey terrace factories	685	Freehold	6,810	8	2025	2019
PT 2529, No 16, Jalan 22/5, Seksyen 22 40300 Shah Alam Selangor Darul Ehsan	Three-storey terrace factories	251	Leasehold – Expiring 6.8.2113	2,345	8	2025	2019

LIST OF PROPERTIES HELD

As at 31 July 2025

cont'd

Location	Description	Area Sq. metre	Tenure	Net Book Value RM'000	Age of Building (Years)	Year of Revaluation	Year of Acquisition
PT 2519, No 29, Jalan 22/6, Seksyen 22 40300 Shah Alam Selangor Darul Ehsan	Three-storey terrace factories	287	Leasehold – Expiring 6.8.2113	2,840	8	2025	2019
Lot 1024 Town of Lumut District of Manjung Perak Daruk Ridzuan	Leasehold land	6,857	Leasehold – Expiring 14.1.2092	5,535	-	2025	1993
Lot 1100 Town of Lumut District of Manjung Perak Daruk Ridzuan	Leasehold land	2,585	Leasehold – Expiring 14.1.2092	2,785	-	2025	1993
Lot 1106 & 1107 Town of Lumut District of Manjung Perak Daruk Ridzuan	Leasehold land	20,236	Leasehold – Expiring 21.12.2094	10,145	-	2025	1995

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the One Hundredth Annual General Meeting (“100th AGM”) of the Company will be held at George Kent Technology Centre, 1115, Blok A, Jalan Puchong, Taman Meranti Jaya, 47120 Puchong, Selangor Darul Ehsan on Wednesday, 14 January 2026 at 11.00 a.m. for the following purposes:-

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 July 2025 and the Directors’ and Auditors’ Reports thereon. **(Please refer to Note A)**
2. To re-elect the following Directors, who retire by rotation pursuant to Clause 90 of the Constitution of the Company and being eligible, offer themselves for re-election:

(a) Puan Sri Datin Tan Swee Bee	Ordinary Resolution 1
(b) Mr Tan Poh Meng	Ordinary Resolution 2
3. To approve the payment of Directors’ fees and benefits of up to an amount of RM169,000 to Non-Executive Directors for the financial year ending 31 July 2026. **Ordinary Resolution 3**
4. To re-appoint Baker Tilly Monteiro Heng PLT, as External Auditors of the Company for the financial year ending 31 July 2026 and to authorise the Directors to fix their remuneration. **Ordinary Resolution 4**

SPECIAL BUSINESS

To consider and if thought fit, pass with or without modifications the following resolutions:-

5. **Authority to Allot and Issue Shares in General Pursuant to Sections 75 and 76 of the Companies Act, 2016** **Ordinary Resolution 5**

“THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to time and upon the terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting (“AGM”) of the Company.”

NOTICE OF ANNUAL GENERAL MEETING

cont'd

6. To transact any other business of which due notice shall have been given.

By order of the Board

TEH YONG FAH

Group Secretary
SSM PC No.: 201908003410
MACS 00400

KUALA LUMPUR
28 November 2025

Notes:-

- A. *This Agenda item is meant for discussion only. The provisions of Section 340(1)(a) of the Companies Act, 2016 and the Constitution of the Company require that the Audited Financial Statements and the Reports of the Directors and Auditors thereon be laid before the Company at its AGM. As such, this Agenda item is not a business that requires a resolution to be put to the vote by shareholders.*
1. *A Member of the Company entitled to attend and vote is entitled to appoint not more than two (2) proxies to attend and vote instead of him. Where a Member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy. The instrument appointing proxy(ies) shall be in writing under the hand of the appointor or his attorney, or if such an appointor is a corporation, under its Common Seal or under the hands of an officer or attorney duly authorised. A proxy need not be a Member of the Company.*
2. *Where a holder of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.*
3. *The instrument appointing proxy(ies) and the power of attorney (if any) under which it is signed or an office copy or notarially certified copy thereof shall be deposited at the registered office of the Company at 11th Floor, Wisma E&C, No. 2 Lorong Dungun Kiri, Damansara Heights, 50490 Kuala Lumpur or e-mailed to the Company at johanms1@outlook.com not less than forty-eight (48) hours before the time stipulated for holding the meeting or adjourned meeting (as the case may be).*
4. *In respect of deposited securities, only members whose names appear on the Record of Depositors on 6 January 2026 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.*

NOTICE OF ANNUAL GENERAL MEETING

cont'd

Explanatory Notes

1. **Ordinary Resolution 1 and 2 - Proposed Re-election of Directors in accordance with Clause 90 of the Company's Constitution**

Pursuant to Clause 90 of the Company's Constitution, Puan Sri Datin Tan Swee Bee ("Puan Sri Tan") and Mr Tan Poh Meng ("Mr Tan") are due for retirement by rotation at the AGM.

Puan Sri Tan and Mr Tan have offered themselves for re-election at the 100th AGM. The Board, through the Nominating Committee, carried out its annual performance evaluation of all Directors, including Puan Sri Tan and Mr Tan, and was satisfied with their performance and effectiveness. Based on the evaluation, the Board has recommended their re-election as Directors, subject to shareholders' approval at the 100th AGM. Both Puan Sri Tan and Mr Tan abstained from deliberation and decision on their own eligibility and suitability to stand for re-election in the respective Nominating Committee and Board resolutions. Their profiles are provided in the Profile of Directors section of the Annual Report 2025.

2. **Ordinary Resolution 3 - Directors' Fees and Benefits**

The estimated Directors' fees and benefits payable to the Non-Executive Directors for financial year ending 31 July 2026 were based on the current Board size and number of scheduled Board and Committee meetings to be held. As disclosed in the Corporate Governance Overview Statement, the total Directors' fees and benefits paid to the Non-Executive Directors for financial year ended 31 July 2025 amounted to RM169,000, was approved by shareholders at the last AGM held on 9 January 2025.

3. **Ordinary Resolution 5 - Authority to Allot and Issue Shares in General Pursuant to Sections 75 and 76 of the Companies Act, 2016**

The proposed Ordinary Resolution, if passed, will empower the Directors to issue shares of the Company up to ten percent (10%) of the total number of issued shares of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company. This would avoid any delays and costs in convening a general meeting to specifically approve such an issue of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.

The Company has not issued any new shares under this general authority which was approved at the last AGM held on 9 January 2025 and which will lapse at the conclusion at this AGM. A renewal of this general authority is being sought at this AGM under the proposed Ordinary Resolution 5. The renewed mandate is to provide flexibility to the Company for any possible future fund raising activities, including but not limited to placement of shares for purposes of funding future investments, working capital and/or acquisition.

Johan Holdings Berhad

Registration No. 192001000038 (314-K)

FORM OF PROXY

(Please read the notes on the next page before completing this form)

No. of Shares held	
CDS Account No.	

I/We*, _____ (Company/NRIC/Passport No. _____)
of _____
being a member/members* of **JOHAN HOLDINGS BERHAD** hereby appoint:-

Name	Address	NRIC/Passport No.	Proportion of Shareholding (%)

and/or*

Name	Address	NRIC/Passport No.	Proportion of Shareholding (%)

as my/our proxy/proxies to vote for me/us on my/our behalf at the One Hundredth Annual General Meeting of the Company to be held at George Kent Technology Centre, 1115, Blok A, Jalan Puchong, Taman Meranti Jaya, 47120 Puchong, Selangor Darul Ehsan on Wednesday, 14 January 2026 at 11:00 a.m. and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the meeting as hereunder indicated.

ORDINARY RESOLUTIONS		For	Against
1	Re-election of Puan Sri Datin Tan Swee Bee as a Director		
2	Re-election of Mr Tan Poh Meng as a Director		
3	Approval of payment of Directors' fees and benefits to Non-Executive Directors for the financial year ending 31 July 2026		
4	Re-appointment of Baker Tilly Monteiro Heng PLT as the Company's External Auditors for the financial year ending 31 July 2026 and to authorise the Board of Directors to fix their remuneration		
5	Authority to allot and issue shares pursuant to the Companies Act, 2016		

(Please indicate with a cross ("X") in the appropriate box against each Resolution how you wish your proxy(ies) to vote. If this proxy form is returned without any indication as to how your proxy(ies) shall vote, your proxy(ies) will vote or abstain as he(they) thinks fit.)

Dated this _____ day of _____

Signature/Common Seal

* Strike out whichever is not relevant.

Notes:-

1. A Member of the Company entitled to attend and vote is entitled to appoint not more than two (2) proxies to attend and vote instead of him. Where a Member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy. The instrument appointing proxy(ies) shall be in writing under the hand of the appointor or his attorney, or if such an appointor is a corporation, under its Common Seal or under the hands of an officer or attorney duly authorised. A proxy need not be a Member of the Company.
2. Where a holder of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
3. The instrument appointing proxy(ies) and the power of attorney (if any) under which it is signed or an office copy or notarially certified copy thereof shall be deposited at the registered office of the Company at 11th Floor, Wisma E&C, No. 2 Lorong Dungun Kiri, Damansara Heights, 50490 Kuala Lumpur or e-mailed to the Company at johanms1@outlook.com not less than forty-eight (48) hours before the time stipulated for holding the meeting or adjourned meeting (as the case may be).
4. In respect of deposited securities, only members whose names appear on the Record of Depositors on 6 January 2026 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

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AFFIX
STAMP

The Company Secretary
JOHAN HOLDINGS BERHAD
11th Floor, Wisma E&C
No. 2 Lorong Dungun Kiri
Damansara Heights
50490 Kuala Lumpur

Then Fold Here

