



ONLY WORLD GROUP HOLDINGS BERHAD
(Company No. 103338-K)

INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>3 Months Ended</u>		<u>12 Months Ended</u>	
	<u>30/06/19</u>	<u>30/06/18</u>	<u>30/06/19</u>	<u>30/06/18</u>
<u>Note</u>	<u>(Unaudited)</u>	<u>(Audited)</u>	<u>(Unaudited)</u>	<u>(Audited)</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	28,196	31,954	123,847	127,668
Cost of sales	<u>(25,765)</u>	<u>(22,104)</u>	<u>(105,060)</u>	<u>(90,515)</u>
Gross profit	2,431	9,850	18,787	37,154
Other income	416	3,902	1,880	4,551
	<u>2,847</u>	<u>13,752</u>	<u>20,667</u>	<u>41,705</u>
Selling and distribution expenses	(892)	(411)	(1,812)	(2,473)
Administrative expenses	(5,140)	(5,570)	(18,099)	(18,048)
Other expenses	<u>(5,004)</u>	<u>(2,888)</u>	<u>(7,350)</u>	<u>(4,172)</u>
(Loss)/Profit from operations	(8,189)	4,883	(6,594)	17,012
Finance costs	<u>(1,819)</u>	<u>(2,115)</u>	<u>(7,747)</u>	<u>(6,900)</u>
(Loss)/Profit before taxation	B5 (10,008)	2,768	(14,341)	10,112
Taxation	B6 698	<u>(1,756)</u>	<u>11,519</u>	<u>(3,222)</u>
(Loss)/Profit after taxation	(9,310)	1,011	(2,822)	6,889
Other comprehensive income	-	-	-	-
Total comprehensive (expenses)/income for the financial period	<u>(9,310)</u>	<u>1,011</u>	<u>(2,822)</u>	<u>6,889</u>
(Loss)/Profit after taxation attributable to:-				
- Owners of the Company	(9,318)	915	(2,633)	6,963
- Non-Controlling interests	8	97	(189)	(74)
	<u>(9,310)</u>	<u>1,011</u>	<u>(2,822)</u>	<u>6,889</u>
Total comprehensive (expenses)/income attributable to:-				
- Owners of the Company	(9,318)	915	(2,633)	6,963
- Non-Controlling interests	8	97	(189)	(74)
	<u>(9,310)</u>	<u>1,011</u>	<u>(2,822)</u>	<u>6,889</u>
(Loss)/Earnings per share (sen) attributable to Owners of the Company				
- Basic	B11 (3.41)	0.34	(0.95)	2.69
- Diluted	(3.41)	n/a	(0.95)	n/a

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2018 and the Explanatory Notes for the year ended 30 June 2019)



ONLY WORLD GROUP HOLDINGS BERHAD
(Company No. 1033338-K)

**INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2019**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 30/06/19 (Unaudited) RM'000	As at 30/06/18 (Audited) RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		207,310	225,987
Goodwill on consolidation		-	1,936
Intangible assets		295	295
Prepaid leases		110,746	113,613
Deferred tax assets		12,897	337
		331,248	342,168
CURRENT ASSETS			
Prepaid leases		3,023	3,020
Inventories		2,815	2,559
Trade receivables		3,813	3,491
Other receivables, deposits and prepayments		10,727	12,530
Current tax assets		3,550	4,332
Fixed deposits with licensed banks		28,827	22,967
Cash and bank balances		8,951	11,007
		61,706	59,906
TOTAL ASSETS		392,954	402,074
EQUITY AND LIABILITIES			
EQUITY			
Share capital		197,808	183,597
Reserves		59,928	62,319
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		257,736	245,916
Non-controlling interests		1,419	1,850
TOTAL EQUITY		259,155	247,766
NON-CURRENT LIABILITIES			
Long-term borrowings	B8	70,996	90,519
Deferred tax liabilities		2,008	2,008
Deferred income		1,008	615
		74,012	93,142
CURRENT LIABILITIES			
Trade payables		2,996	4,594
Other payables, deposits received and accruals		20,356	24,386
Amount owing to directors		1,425	635
Short-term borrowings	B8	26,765	27,750
Bank overdrafts		7,785	2,675
Current tax liabilities		460	1,126
		59,787	61,166
TOTAL LIABILITIES		133,799	154,308
TOTAL EQUITY AND LIABILITIES		392,954	402,074
Net assets per share attributable to Owners of the Company (RM)		0.90	0.92

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2018 and the Explanatory Notes for the year ended 30 June 2019)



ONLY WORLD GROUP HOLDINGS BERHAD

(Company No. 1033338-K)

INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Non-Distributable →				Distributable		Attributable To Owners of The Group	Non- controlling Interests	Total Equity
	Share Capital	Share Premium	Merger Deficit	Revaluation Reserve	Capital Reserve	Retained Profits			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
12 Months Ended 30 June 2019									
At 1 July 2018	183,597	-	(56,777)	18,096	1,200	99,800	245,916	1,850	247,766
Profit after taxation for the financial period	-	-	-	-	-	(2,633)	(2,633)	(189)	(2,822)
Contribution by and distributions to owners of the Company:									
- issue of shares pursuant to exercise of warrants	14,400	-	-	-	-	-	14,400	-	14,400
- shares issuance expenses	(189)	-	-	-	-	-	(189)	-	(189)
- transfer to retained earnings due to the closure of Kota Tinggi Resort	-	-	-	-	(300)	300	-	-	-
	14,211	-	-	-	(300)	300	14,211	-	14,211
Changes in a subsidiary's ownership interests that do not result in a loss of control	-	-	-	-	-	242	242	(242)	-
Total transactions with owners	14,211	-	-	-	(300)	542	14,453	(242)	14,211
At 30 June 2019 (Unaudited)	<u>197,808</u>	<u>-</u>	<u>(56,777)</u>	<u>18,096</u>	<u>900</u>	<u>97,709</u>	<u>257,736</u>	<u>1,419</u>	<u>259,155</u>



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FOR THE FOURTH QUARTER ENDED 30 JUNE 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)

	← Non-Distributable →				Distributable		Attributable To Owners of The Group	Non- controlling Interests	Total Equity
	Share Capital	Share Premium	Merger Deficit	Revaluation Reserve	Capital Reserve	Retained Profits			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
12 Months Ended 30 June 2018									
At 1 July 2017	121,442	34,660	(56,777)	18,096	1,200	92,987	211,608	1,773	213,381
Profit after taxation for the financial period	-	-	-	-	-	6,963	6,963	(74)	6,889
Contribution by and distributions to owners of the Company:									
- issuance of new shares	27,801	-	-	-	-	-	27,801	-	27,801
- shares issuance expenses	-	(306)	-	-	-	-	(306)	-	(306)
- transfer to share capital in accordance with the Companies Act 2016	34,354	(34,354)	-	-	-	-	-	-	-
	62,155	(34,660)	-	-	-	-	27,495	-	27,495
Changes in a subsidiary's ownership interests that do not result in a loss of control	-	-	-	-	-	(150)	(150)	151	1
Total transactions with owners	62,155	(34,660)	-	-	-	(150)	27,345	151	27,496
At 30 June 2018 (Audited)	183,597	-	(56,777)	18,096	1,200	99,800	245,916	1,850	247,766

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2018 and the Explanatory Notes for the year ended 30 June 2019)



ONLY WORLD GROUP HOLDINGS BERHAD
(Company No. 1033338-K)

**INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2019**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 Months Ended	
	30/06/19 (Unaudited) RM'000	30/06/18 (Audited) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(14,341)	10,112
Adjustments for:-		
Allowance for impairment losses on receivables	-	707
Amortisation of intangible assets	-	143
Amortisation of prepaid leases	3,023	3,016
Depreciation of property, plant and equipment	24,418	19,212
Impairment loss on goodwill	1,936	-
Impairment loss on property, plant and equipment	2,550	-
Intangible assets written off	-	109
Interest expense	7,747	6,900
Receivables written off	-	14
Property, plant and equipment written off	1,422	666
Gain on disposal of property, plant and equipment	(30)	-
Interest income	(1,228)	(481)
Writeback of allowance for doubtful debts	-	(36)
Operating profit before working capital changes	25,497	40,362
(Increase)/Decrease in inventories	(256)	939
Decrease in trade and other receivables	935	2,676
Decrease in trade and other payables	(5,003)	(8,482)
Increase in amount due to Directors	790	635
Cash generated from operations	21,963	36,130
Tax paid	(919)	(2,618)
Interest paid	(7,747)	(6,900)
Interest received	1,228	481
NET CASH GENERATED FROM OPERATIONS	14,525	27,093
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition of prepaid leases	(159)	(556)
Placement of fixed deposits	(5,860)	(8,300)
Proceeds from disposal of other investments	-	375
Proceeds from disposal of property, plant and equipment	30	980
Purchase of property, plant and equipment	(9,416)	(66,698)
NET CASH USED IN INVESTING ACTIVITIES	(15,405)	(74,199)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of hire purchase obligations	6,625	-
Drawdown of term loans	-	49,631
Proceeds from issuance of shares from private placement	-	27,801
Proceeds from issuance of shares from exercise of warrants	14,400	-
Repayment of hire purchase obligations	(5,323)	(5,891)
Repayment of term loans	(21,803)	(15,524)
Shares issuance expenses paid	(189)	(307)
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	(6,290)	55,710
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(7,170)	8,605
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	7,025	(1,579)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	(145)	7,025



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INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

CASH AND CASH EQUIVALENTS COMPRISE:-

	30/06/19	30/06/18
	(Unaudited)	(Audited)
	RM'000	RM'000
Fixed deposit with licensed banks	28,827	22,967
Cash and bank balances	8,951	11,007
Bank overdrafts	(7,785)	(2,675)
	<u>29,993</u>	<u>31,299</u>
Less: Fixed deposits pledged with licensed banks	(28,827)	(22,967)
Less: Bank balance held as Escrow	(1,311)	(1,307)
	<u>(145)</u>	<u>7,025</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2018 and the Explanatory Notes for the year ended 30 June 2019)



ONLY WORLD GROUP HOLDINGS BERHAD (Company No. 1033338-K)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2019

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial statement is unaudited and has been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and should be read in conjunction with the Group's annual audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to these audited financial statements.

The Group has adopted merger accounting method for the preparation of this interim financial statements.

A2. Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements of the Group for the financial year ended 30 June 2018 except for the adoption of the relevant new MFRSs, amendments to MFRSs and IC Interpretations that are effective for annual periods beginning on or after 1 January 2019 respectively.

During the current financial quarter, the Group has adopted the following new accounting standards and interpretations (including the consequences amendments, if any):-

Amendments/Improvements to MFRSs

MFRS 9	Financial Instruments (IFRS 9 as issued by IASB in July 2014)	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
MFRS 2	Classification and Measurement of Share-based Payment Transactions	1 January 2018
MFRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018
MFRS 15	Effective Date of MFRS 15	1 January 2018
MFRS 15	Clarifications to MFRS 15 ‘Revenue from Contracts with Customers’	1 January 2018
MFRS 140	Transfers of Investment Property	1 January 2018
MFRSs 2014 – 2016 Cycles:	• Amendments to MFRS 1: Deletion of Short-term Exemptions for First-Time Adopters	1 January 2018
	• Amendments to MFRS 128: Measuring an Associate or Joint Venture at Fair Value	1 January 2018

A2. Significant Accounting Policies (Cont'd)

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group's financial statements.

The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year ended 30 June 2019:-

New MFRSs

MFRS 16	Leases	1 January 2019
MFRS 17	Insurance Contracts	1 January 2021
IC Interpretation 23	Uncertainty over Income Tax Treatments	1 January 2019

Amendments/Improvements to MFRSs

MFRS 3	Definition of a Business	1 January 2020
MFRS 9	Prepayment Features with Negative Compensation	1 January 2019
MFRS 10 & MFRS 128	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
MFRS 101 & MFRS 108	Definition of Material	1 January 2020
MFRS 119	Plan Amendment, Curtailment or Settlement	1 January 2019
MFRS 128	Long-term Interests in Associates and Joint Ventures	1 January 2019
References to the Conceptual Framework in MFRS Standards		1 January 2020
Annual Improvements to MFRS Standards 2015 – 2017 Cycles		1 January 2019

The adoption of the above revised MFRSs, Amendments to MFRSs and IC Interpretation will not have any significant financial impact on the financial position and performance of the Group, except as follows:-

MFRS 16: Leases

MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and will replace the current guidance on lease accounting when it becomes effective. Under MFRS 16, the classification of leases as either finance leases or operating leases is eliminated for lessees. All lessees are required to recognise their leased assets and the related lease obligations in the statement of financial position (with limited exceptions). The leased assets are subject to depreciation and the interest on lease liabilities are calculated using the effective interest method. The Group is currently assessing the financial impact that may arise from the adoption of this standard.

A3. Auditors' Report on Preceding Annual Financial Statements

There was no qualification to the audited financial statements of the Company and its subsidiaries for the financial year ended 30 June 2018.

A4. Seasonal or Cyclical Factors

Our Group's operations are inherently seasonal in nature. The number of patrons usually increases during weekends and the holiday seasons.

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no unusual items affecting the assets, liabilities, equity, net income or cash flow for the current financial quarter and financial year-to-date.

A6. Material Changes in Estimates

There were no changes in estimates that have any material effect for the current financial quarter and financial year-to-date results.

A7. Debt and Equity Securities

During the financial year ended 30 June 2019, the Company increased its issued and paid up ordinary share capital by way of issuance of 18,000,000 new ordinary shares pursuant to the exercise of warrants.

Save for the above, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the twelve months ended 30 June 2019.

A8. Dividend Paid

There were no dividends paid or proposed during the current financial quarter and financial year-to-date.

A9. Segmental Information

Segmental information is presented in respect of the Group's business segment which form the primary basis of segmental reporting.

(i) The segmental result for the twelve (12) months ended 30 June 2019 was as follows:

	Food Service Operations RM'000	Amusement and Recreation Operations RM'000	Other Services RM'000	Elimination RM'000	The Group RM'000
Segment revenue					
External revenue	64,319	42,142	17,386	-	123,847
Inter-segment revenue	14,722	398	473	(15,592)	1
Total revenue	<u>79,041</u>	<u>42,540</u>	<u>17,859</u>	<u>(15,592)</u>	<u>123,848</u>
Segment profit/(loss)	14,139	23,546	(10,930)	-	26,755
Depreciation and amortisation					(27,441)
Impairment loss on goodwill					(1,936)
Impairment loss on property, plant and equipment					(2,550)
Property, plant and equipment written off					(1,422)
Finance costs					(7,747)
Loss before taxation					(14,341)
Taxation					11,519
Loss for the year					<u>(2,822)</u>

A9. Segmental Information (Cont'd)

(ii) The segmental result for the twelve (12) months ended 30 June 2018 was as follows:

	Food Service Operations RM'000	Amusement and Recreation Operations RM'000	Other Services RM'000	Elimination RM'000	Group RM'000
Segment revenue					
External revenue	56,352	58,014	13,302	-	127,668
Inter segment revenue	13,342	1,054	1,118	(15,514)	-
Total segment revenue	<u>69,694</u>	<u>59,068</u>	<u>14,420</u>	<u>(15,514)</u>	<u>127,668</u>
Segment profit/(loss)	5,413	43,430	(8,794)	-	40,049
Depreciation and amortisation					(22,371)
Property, plant and equipment written off					(666)
Finance costs					(6,900)
Profit before taxation					<u>10,112</u>
Taxation					<u>(3,222)</u>
Profit for the year					<u>6,889</u>

A10. Capital Commitments

Capital commitment for property and equipment not provided for as at 30 June 2019 are as follows:-

	As at 30/06/19 RM'000
Approved and contracted for:-	
Refurbishment work and renovation of attractions and outlets	<u>98</u>

A11. Material Events Subsequent to the End of the Financial Period

There were no material events subsequent to the end of the current quarter.

A12. Changes in Composition of the Group

There were no changes in composition of the Group during the current financial period under review.

A13. Contingent Liabilities or Contingent Assets

The Company provides corporate guarantees amounting to RM85,280,000 to licensed banks and financial institutions for credit facilities granted to certain subsidiaries. No provisions are recognized on the above liabilities as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

There were no contingent assets as at the date of this report.

A14. Related Party Disclosures

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	30/06/19	30/06/18	30/06/19	30/06/18
	RM'000	RM'000	RM'000	RM'000
(i) Entities controlled by certain key management personnel:-				
Rental income	54	55	217	238
(ii) Directors:-				
Rental expense	(270)	(270)	(1,080)	(1,080)



ONLY WORLD GROUP HOLDINGS BERHAD (Company No. 1033338-K)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2019

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Performance Review

(i) Current Quarter vs Preceding Year Corresponding Quarter

	3 Months Ended		Changes	
	30/06/19 RM'000	30/06/18 RM'000	RM'000	%
Revenue	28,196	31,954	(3,758)	-12%
EBITDA	3,446	10,386	(6,940)	-67%
(Loss)/Profit before taxation	(10,008)	2,768	(12,776)	N/A

The Group achieved revenue, EBITDA and loss before taxation of RM28.2 million, RM3.4 million and RM10.0 million respectively for the current financial quarter ended 30 June 2019. The revenue of RM28.2 million represented a decrease of RM3.8 million or approximately 12% as compared to the revenue of RM32.0 million recorded for the corresponding 3-month financial quarter ended 30 June 2018. For the current financial quarter ended 30 June 2019, the segments of 'Food Service Operations' and 'Amusement and Recreation Operations' were the key contributors to the Group's revenue. Out of the Group's revenue of RM28.2 million, 55% was from the segment of 'Food Service Operations' and 28% was from the segment of 'Amusement and Recreation Operations'.

The segment of 'Food Service Operations' recorded an increase in revenue of RM3.9 million in the current financial quarter mainly due to the impact of the opening of Skytropolis Funland, Indoor Theme Park at Sky Avenue, Genting Highlands in December 2018, which saw an increase in patrons to our food service outlets in Genting Highlands and also the opening of a new food service outlet at Bangsar Shopping Centre in May 2019.

The segment of 'Amusement and Recreation Operations' recorded a decrease in revenue of RM8.2 million in the current financial quarter mainly due to the lower volume of business at The Top, Komtar Tower, Penang and the impact of the closure of Kota Tinggi Resorts in the last quarter. The segment of 'Other Service Operations' recorded an increase in revenue of RM0.5 million in the current financial quarter mainly due to the impact of opening of 3 new retail outlets at the Sky Avenue, Genting Highlands and a new Jungle Gym outlet at Bangsar Shopping Centre in the current quarter, as compared to the preceding year corresponding quarter.

Loss before taxation for the current financial quarter was RM10.0 million as compared to profit before taxation of RM2.8 million of the preceding year's corresponding quarter ended 30 June 2018. The decrease of RM12.8 million was mainly due to lower volume of business at The Top, Komtar Tower, Penang and the closure of Kota Tinggi Resorts since last quarter. These were further impacted by impairment loss on Escaperoom's goodwill of RM1.9 million and impairment loss on property, plant and equipment for Escaperoom of RM0.7 million, Buckingham Dynasty of RM1.0 million and Pedas Hot Spring of RM0.5 million.

B1. Performance Review (cont'd)

(ii) Current Year-to-date vs Preceding Year Corresponding Period

	12 Months Ended		Changes	
	30/06/19 RM'000	30/06/18 RM'000	RM'000	%
Revenue	123,847	127,668	(3,821)	-3%
EBITDA	26,755	40,049	(13,294)	-33%
(Loss)/Profit before taxation	(14,341)	10,112	(24,453)	N/A

The Group achieved revenue, EBITDA and loss before taxation of RM123.8 million, RM26.7 million and RM14.3 million respectively for the 12-month financial year ended 30 June 2019. The revenue of RM123.8 million represented a decrease of RM3.8 million or approximately 3% as compared to the revenue of RM127.7 million recorded for the corresponding 12-months period for the financial year ended 30 June 2018. For the current 12-month financial year ended 30 June 2019, the segments of 'Food Service Operations' and 'Amusement and Recreation Operations' were the key contributors to the Group's revenue. Out of the Group's revenue of RM123.8 million, approximately 52% was from the segment of 'Food Service Operations' and approximately 34% was from the segment of 'Amusement and Recreation Operations'.

The segment of 'Food Service Operations' recorded an increase in revenue of RM8.0 million in the current 12-month financial year ended 30 June 2019 mainly due to the impact on the opening of Skytropolis Funland, Indoor Theme Park at Sky Avenue, Genting Highlands in December 2018 which saw an increase in patrons to our food service outlet and also the opening of a new food service outlet at Bangsar Shopping Centre in May 2019.

The segment of 'Amusement and Recreation Operations' recorded a decrease in revenue of RM15.9 million in the current 12-month financial year ended 30 June 2019 mainly due to the lower volume of business at The Top, Komtar Tower, Penang and the closure of Kota Tinggi Resorts in the end of February 2019. The segment of 'Other Service Operations' recorded an increase in revenue of RM4.1 million in the current 12-month financial year ended 30 June 2019 mainly due to the opening of 3 new retail outlets at the Sky Avenue, Genting Highlands and a new Jungle Gym at Bangsar Shopping Centre during the quarter, as compared to the preceding year corresponding period.

Loss before taxation for the current 12-month financial year ended 30 June 2019 was RM14.3 million as compared to profit before taxation of RM10.1 million of the preceding year's corresponding year-to-date ended 30 June 2018. The decrease in profit before taxation of RM24.4 million was mainly due to lower volume of business at The Top, Komtar Tower, Penang, higher depreciation and amortisation charge of by RM5.0 million, higher operating costs by RM14.0 million and written off of Kota Tinggi Resorts of RM1.3 million, impairment loss on Escaperoom's goodwill of RM1.9 million and impairment loss on property, plant and equipment for Escaperoom of RM0.7 million, Buckingham Dynasty of RM1.0 million and Pedas Hot Spring of RM0.5 million.

B2. Material Changes in Loss Before Taxation compared with the Immediate Preceding Quarter

Loss before taxation for the current financial quarter was RM10.0 million compared to the immediate preceding quarter loss before taxation of RM5.5 million. The drop in performance by RM4.5 million was mainly due to impairment of Escaperoom's goodwill of RM1.9 million and impairment of assets on Escaperoom of RM0.7 million, Buckingham Dynasty of RM1.0 million and Pedas Hot Spring of RM0.5 million in current quarter.

B3. Coming Year Prospects

The Board of Directors of OWG (“Board”) has in place a business and expansion plan moving forward, which are focused in the following areas:

- (i) marketing operation effect will be intensified at all existing outlets and facilities;
- (ii) opening “Fun, Food and Good Living” locations that package multiple food service outlets, family attractions and other retail outlets in a single location with a unified theme, focusing on family-centric activities; and
- (iii) opening more food service outlets that expands the range of dining options at new locations.

Premised on the above, the Board is generally optimistic of the Group’s performance but cautious of the prevailing economic conditions for the coming financial year.

B4. Profit Forecast and Profit Estimate

The Group did not issue any profit forecast or profit estimate previously in any public document.

B5. Notes to the Statement of Profit or Loss and Other Comprehensive Income

(Loss)/Profit before taxation is stated after charging/(crediting):-

	Individual Quarter	Cumulative Quarter
	3 Months Ended 30/06/19	12 Months Ended 30/06/19
	RM'000	RM'000
Amortisation of prepaid lease	756	3,023
Depreciation of property, plant and equipment	6,241	24,418
Impairment loss on goodwill	1,936	1,936
Impairment loss on property, plant and equipment	2,550	2,550
Interest expense	1,819	7,747
Property, plant and equipment written off	151	1,422
Interest income	(234)	(1,228)

Save for the above, the other items as required under Paragraph 16, Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Securities are not applicable.

B6. Taxation

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	30/06/19	30/06/18	30/06/19	30/06/18
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	RM'000	RM'000	RM'000	RM'000
Current taxation				
Malaysian - current	(707)	1,550	1,167	2,756
Malaysian - prior year	9	1,241	(126)	1,555
Foreign - current	-	-	-	22
	(698)	2,791	1,041	4,332
Deferred taxation	-	(1,035)	(12,560)	(1,110)
	(698)	1,756	(11,519)	3,222

The Group's effective tax rate for the current financial period was higher than the statutory tax rate mainly due to certain expenses which are non-tax deductible. Losses incurred by certain subsidiary companies were also not available to set off against taxable profits in other companies within the Group.

The deferred taxation is derived from the Investment Tax Allowance ('ITA') incentive under the Promotion of Investment Act 1986. Malaysian Investment Development Authority ('MIDA') has granted one of the Group's subsidiary company the said ITA which qualifies the Company to set off against 70% of the statutory business income derived from the approved business activities.

B7. Status of Corporate Proposals Announced

There were no corporate proposals announced but not completed as at 23 August 2019.

B8. Group Borrowings

	As at 30/06/19 RM'000
Long-term borrowings	
Secured:	
Hire purchase / lease payables	4,787
Term loans	66,209
	<u>70,996</u>
Short-term borrowings	
Secured:	
Hire purchase / lease payables	3,957
Term loans	22,808
	<u>26,765</u>
Total borrowings	<u><u>97,761</u></u>

B9. Changes in Material Litigation

The Group does not have any material litigation and the Directors are not aware of any proceedings pending or threatened against the Group as at 16 August 2019, being 7 days prior to the date of this report.

B10. Dividends

No dividend was declared for the current financial quarter and financial year-to-date.

B11. Earnings Per Share ("EPS")

(i) Basic earnings per share

	Individual Quarter		Cumulative Quarter	
	3 Months Ended 30/06/19 (Unaudited)	30/06/18 (Audited)	12 Months Ended 30/06/19 (Unaudited)	30/06/18 (Audited)
(Loss)/Profit attributable to Owners of the Company (RM'000)	(9,318)	915	(2,633)	6,963
Weighted average number of ordinary shares in issue ('000)	273,216	267,100	276,114	260,195
Basic earnings per share (sen)	<u>(3.41)</u>	<u>0.34</u>	<u>(0.95)</u>	<u>2.68</u>

(ii) Diluted earnings per share

	Individual Quarter		Cumulative Quarter	
	3 Months Ended 30/06/19 (Unaudited)	30/06/18 (Audited)	12 Months Ended 30/06/19 (Unaudited)	30/06/18 (Audited)
(Loss)/Profit attributable to Owners of the Company (RM'000)	(9,318)	915	(2,633)	6,963
Weighted average number of ordinary shares in issue ('000)	273,216	267,100	276,114	260,195
Adjustment for potential conversion of warrants ('000)	<u>_*</u>	<u>-</u>	<u>_*</u>	<u>-</u>
	<u>273,216</u>	<u>267,100</u>	<u>276,114</u>	<u>260,195</u>
Diluted (loss)/earnings per share (sen)	<u>(3.41)</u>	<u>n/a</u>	<u>(0.95)</u>	<u>n/a</u>

* Potential ordinary shares arising from conversion of warrants are not included in the calculation of diluted earnings per share because they are anti-dilutive.

B12. Operating Lease Commitment

The future minimum lease payments under operating leases are as follows:-

	As at 30/06/19 RM'000
Not more than one year	4,786
Later than one year and not later than five years	18,352
Later than five years	<u>101,397</u>
	<u>124,535</u>

The operating lease commitment is due mainly to rental of premises for a period of 45 years.

B13. Auditors' Report On Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 30 June 2018 was unqualified.