



ONLY WORLD GROUP HOLDINGS BERHAD

Registration No: 201201041977 (1033338-K)

INTERIM FINANCIAL REPORT  
FOR THE FOURTH QUARTER ENDED 30 JUNE 2020

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		
	3 Months Ended		12 Months Ended		
	Note	30/6/2020	30/6/2019	30/6/2020	30/6/2019
	RM'000	RM'000	RM'000	RM'000	
Revenue		1,606	24,916	91,476	120,567
Cost of sales		(10,815)	(21,584)	(88,441)	(100,879)
<b>Gross (loss)/profit</b>		(9,209)	3,332	3,035	19,688
Other income		750	3,052	2,545	4,516
		(8,459)	6,384	5,580	24,204
Selling and distribution expenses		10	(1,108)	(867)	(2,028)
Administrative expenses		(2,208)	(6,997)	(15,417)	(19,956)
Other expenses		(1,363)	(3,905)	(3,433)	(6,251)
Impairment of property, plant & equipment		(9,001)	(2,511)	(9,258)	(2,511)
<b>Loss from operations</b>		(21,021)	(8,137)	(23,395)	(6,542)
Finance costs		(3,709)	(1,815)	(11,371)	(7,743)
<b>Loss before taxation</b>	B5	(24,730)	(9,952)	(34,766)	(14,285)
Taxation	B6	-	698	(165)	11,519
<b>Loss after taxation</b>		(24,730)	(9,254)	(34,931)	(2,766)
Other comprehensive income		-	-	-	-
<b>Total comprehensive expenses for the financial period</b>		(24,730)	(9,254)	(34,931)	(2,766)
<b>Loss after taxation attributable to:-</b>					
- Owners of the Company		(24,707)	(9,222)	(34,931)	(2,537)
- Non-Controlling interests		(23)	(32)	-	(229)
		(24,730)	(9,254)	(34,931)	(2,766)
<b>Total comprehensive expenses attributable to:-</b>					
- Owners of the Company		(24,707)	(9,222)	(34,931)	(2,537)
- Non-Controlling interests		(23)	(32)	-	(229)
		(24,730)	(9,254)	(34,931)	(2,766)
<b>Loss per share (sen) attributable to Owners of the Company</b>					
- Basic	B11	(8.67)	(3.35)	(12.25)	(0.92)
- Diluted		(8.67)	(3.35)	(12.25)	(0.92)

(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 2019 and the Explanatory Notes for the quarter ended 30 June 2020)



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FOR THE FOURTH QUARTER ENDED 30 JUNE 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 30/6/2020 (Unaudited) RM'000	As at 30/6/2019 (Audited) RM'000
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		169,954	210,023
Right-of-use assets		77,079	-
Intangible assets		313	296
Prepaid leases		108,264	111,312
Deferred tax assets		12,897	12,897
		368,507	334,528
<b>CURRENT ASSETS</b>			
Prepaid leases		3,037	3,024
Inventories		2,188	2,721
Trade receivables		5,099	3,287
Other receivables, deposits and prepayments		9,267	11,327
Current tax assets		2,567	3,809
Fixed deposits with licensed banks		31,979	28,827
Cash and bank balances		11,370	9,456
		65,507	62,451
<b>TOTAL ASSETS</b>		434,014	396,979
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital		197,809	197,809
Reserves		24,978	60,024
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		222,787	257,833
Non-controlling interests		1,342	1,379
<b>TOTAL EQUITY</b>		224,129	259,212
<b>NON-CURRENT LIABILITIES</b>			
Leases liabilities		68,516	-
Long-term borrowings	B8	52,929	71,827
Deferred tax liabilities		1,510	2,008
Deferred income		1,085	911
		124,040	74,746
<b>CURRENT LIABILITIES</b>			
Trade payables		4,152	3,478
Other payables, deposits received and accruals		40,234	22,887
Amount owing to directors		2	1,437
Leases liabilities		10,493	-
Short-term borrowings	B8	21,565	26,715
Bank overdrafts		9,191	7,785
Current tax liabilities		208	719
		85,845	63,021
<b>TOTAL LIABILITIES</b>		209,885	137,767
<b>TOTAL EQUITY AND LIABILITIES</b>		434,014	396,979
Net assets per share attributable to Owners of the Company (RM)		0.78	0.90

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2019 and the Explanatory Notes for the quarter ended 30 June 2020)



ONLY WORLD GROUP HOLDINGS BERHAD

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INTERIM FINANCIAL REPORT  
FOR THE FOURTH QUARTER ENDED 30 JUNE 2020

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	
<b>12 Months Ended 30 June 2020</b>									
<b>At 1 July 2019</b>	197,809	-	(56,777)	18,096	1,200	97,505	257,833	1,379	259,212
Prior year adjustment	-	-	-	-	-	(152)	(152)	-	(152)
As per restated	197,809	-	(56,777)	18,096	1,200	97,353	257,681	1,379	259,060
Profit after taxation for the financial period	-	-	-	-	-	(34,931)	(34,931)	-	(34,931)
Changes in a subsidiary's ownership interests that do not result in a loss of control	-	-	-	-	-	37	37	(37)	-
Total transactions with owners	-	-	-	-	-	37	37	(37)	-
<b>At 30 June 2020 (Unaudited)</b>	<b>197,809</b>	<b>-</b>	<b>(56,777)</b>	<b>18,096</b>	<b>1,200</b>	<b>62,459</b>	<b>222,787</b>	<b>1,342</b>	<b>224,129</b>



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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
<b>12 Months Ended 30 June 2019</b>									
<b>At 1 July 2018</b>	183,597	-	(56,777)	18,096	1,200	99,800	245,916	1,850	247,766
Profit after taxation for the financial period	-	-	-	-	-	(2,537)	(2,537)	(229)	(2,766)
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	(188)	-	-	-	-	-	(188)	-	(188)
	14,212	-	-	-	-	-	14,212	-	14,212
Changes in a subsidiary's ownership interests that do not result in a loss of control	-	-	-	-	-	242	242	(242)	-
Total transactions with owners	14,212	-	-	-	-	242	14,454	(242)	14,212
<b>At 30 June 2019 (Unaudited)</b>	<b>197,809</b>	<b>-</b>	<b>(56,777)</b>	<b>18,096</b>	<b>1,200</b>	<b>97,505</b>	<b>257,833</b>	<b>1,379</b>	<b>259,212</b>

(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 2019 and the Explanatory Notes for the quarter ended 30 June 2020)



**ONLY WORLD GROUP HOLDINGS BERHAD**  
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**INTERIM FINANCIAL REPORT  
FOR THE FOURTH QUARTER ENDED 30 JUNE 2020**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>12 Months Ended</b>	
	<b>30/6/2020</b>	<b>30/6/2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(34,766)	(14,285)
Adjustments for:-		
Amortisation of prepaid leases	3,035	3,023
Depreciation of property, plant and equipment	20,231	24,418
Depreciation of right-of-use assets	15,024	-
Impairment loss on goodwill	-	1,936
Impairment loss on property, plant and equipment	9,258	2,511
Interest expense on lease liabilities	5,896	-
Other interest expense	5,475	7,743
Property, plant and equipment written off	825	1,460
Gain on disposal of property, plant and equipment	-	(30)
Interest income	(739)	(1,228)
Operating profit before working capital changes	24,239	25,548
Decrease/(Increase) in inventories	533	(162)
Decrease in trade and other receivables	248	736
Increase/(Decrease) in trade and other payables	19,353	(258)
(Decrease)/Increase in amount due to Directors	(1,435)	802
Cash generated from operations	42,938	26,666
Tax paid	67	(924)
Interest paid	(11,371)	(7,743)
Interest received	739	1,228
<b>NET CASH GENERATED FROM OPERATIONS</b>	<b>32,373</b>	<b>19,227</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Addition to right-of-use assets	(79,927)	-
Addition of prepaid leases	-	(726)
Placement of fixed deposits	(3,152)	(5,863)
Proceeds from disposal of property, plant and equipment	-	30
Purchase of property, plant and equipment	(2,437)	(7,193)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(85,516)</b>	<b>(13,752)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of term loans	2,000	1,013
Drawdown of hire purchase obligations/lease liabilities	82,760	-
Proceeds from issuance of shares from exercise of warrants	-	14,400
Repayment of hire purchase obligations/lease liabilities	(12,494)	(5,327)
Repayment of term loans	(17,304)	(22,037)
Shares issuance expenses paid	-	(189)
<b>NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>54,962</b>	<b>(12,140)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,819</b>	<b>(6,665)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>	<b>360</b>	<b>7,025</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	<b>2,179</b>	<b>360</b>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2019 and the Explanatory Notes for the quarter ended 30 June 2020)



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**INTERIM FINANCIAL REPORT**  
**FOR THE FOURTH QUARTER ENDED 30 JUNE 2020**

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

	12 Months Ended	
	30/6/2020	30/6/2019
	RM'000	RM'000
<b>CASH AND CASH EQUIVALENTS COMPRISE:-</b>		
Fixed deposit with licensed banks	31,979	28,827
Cash and bank balances	11,370	9,456
Bank overdrafts	(9,191)	(7,785)
	<u>34,158</u>	<u>30,498</u>
Less: Fixed deposits pledged with licensed banks	(31,979)	(28,827)
Less: Bank balance held as Escrow	-	(1,311)
	<u>2,179</u>	<u>360</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 2019 and the Explanatory Notes for the year ended 30 June 2020)



**ONLY WORLD GROUP HOLDINGS BERHAD Registration No: 201201041977 (1033338-K)**

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2020**

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

**A1. Basis of Preparation**

These condensed consolidated interim financial statements are unaudited and have 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 2019 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 2019 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 16	Leases
IC Interpretation 23	Uncertainty Over Income Tax Treatments
Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures
Annual Improvements to MFRS Standards 2015 – 2017 Cycles	

Other than MFRS 16, the adoption of these amendments and interpretation does not result in any significant change to the accounting policies and do not have a material impact on the interim financial report of the Group.

## A2. Significant Accounting Policies (Cont'd)

### MFRS 16 “Leases”

MFRS 16 “Leases” supersedes MFRS 117 “Leases” and the related interpretations. MFRS 16 eliminates the classification of leases by the lessee as either finance leases or operating leases. MFRS 16 introduces a single accounting model, requiring the lessee to recognise the “right-of-use” of the underlying asset and the lease liability reflecting future lease payment liabilities in the statement of financial position. The right-of-use asset is depreciated in accordance with the principles in MFRS 116 “Property, Plant and Equipment” and the lease liability is accreted over time with interest expense recognised in the statement of comprehensive income. For lessors, MFRS 16 retains most of the requirements in MFRS 117. Lessors continue to classify all leases as either operating leases or finance leases and account for them differently.

On 1 Jan 2020, the Group adopted the modified retrospective approach and not restate prior year/period comparatives information which remain as previously reported under MFRS 117 and related interpretations.

The Group made use of the transition practical expedient in the standard to not recognised lease arrangements for which the lease term ends within 12 months of the date of initial application. The Group has elected, on a lease-by-lease basis, to recognise the right-of-use assets at the amount equal to the lease liabilities, hence, there were no impact to the retained earnings brought forward as at 1 July 2019.

The effects of adopting MFRS 16 to the Group as at 1 July 2019 were as follows:

<b>Group</b>			
<b>Statements of Financial Position</b>	<b>30 June 2019</b>	<b>Changes</b>	<b>1 July 2019</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current assets</b>			
Right-of-use-assets	-	98,030	98,030
<b>Non-current Liabilities</b>			
Leases liabilities	-	69,734	69,734
<b>Current liabilities</b>			
Leases liabilities	-	10,345	10,345



## **A2. Significant Accounting Policies (Cont'd)**

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:-

### **New MFRSs**

MFRS 17	Insurance Contracts	1 January 2021
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### **Amendments/Improvements to MFRSs**

MFRS 3	Definition of a Business	1 January 2020
MFRS 9, MFRS 139 & MFRS 7	Interest Rate Benchmark Reform	1 January 2020
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 101	Classification of Liabilities as Current or Non-current	1 January 2022
References to the Conceptual Framework in MFRS Standards		1 January 2020

## **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 2019.

## **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 significant unusual items that effect the assets, liabilities, equity, net income or cash flow for the current financial quarter & financial year end-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**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter and financial year-to-date.

## **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.

	<b>Food Service Operations RM'000</b>	<b>Amusement and Recreation Operations RM'000</b>	<b>Other Services RM'000</b>	<b>Elimination RM'000</b>	<b>The Group RM'000</b>
<b>Segment revenue</b>					
External revenue	51,517	27,690	12,269	-	91,476
Inter-segment revenue	12,182	145	654	(12,982)	-
<b>Total revenue</b>	<u>63,699</u>	<u>27,835</u>	<u>12,923</u>	<u>(12,982)</u>	<u>91,476</u>
<b>Segment profit/(loss)</b>	14,265	13,174	(2,462)	-	24,978
Depreciation and amortisation					(38,290)
Impairment loss on property, plant and equipment					(9,258)
Property, plant and equipment written off					(825)
Finance costs					(11,371)
Loss before taxation					(34,766)
Taxation					(165)
<b>Loss for the period</b>					<u>(34,931)</u>

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

	<b>Food Service Operations RM'000</b>	<b>Amusement and Recreation Operations RM'000</b>	<b>Other Services RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
<b>Segment revenue</b>					
External revenue	63,101	42,444	15,022	-	120,567
Inter segment revenue	17,017	61	736	(17,814)	-
<b>Total segment revenue</b>	<u>80,118</u>	<u>42,505</u>	<u>15,758</u>	<u>(17,814)</u>	<u>120,567</u>
<b>Segment profit/(loss)</b>	14,138	24,817	(12,148)	-	26,806
Depreciation and amortisation					(27,441)
Impairment loss on goodwill					(1,936)
Impairment loss on property, plant and equipment					(2,511)
Property, plant and equipment written off					(1,460)
Finance costs					(7,743)
Loss before taxation					(14,285)
Taxation					11,519
<b>Profit for the year</b>					<u>(2,766)</u>

#### A10. Capital Commitment

Capital commitment for property and equipment not provided for as at 30 June 2020 were as follows:-

	As at 30/6/2020 RM'000
Approved and contracted for:-	
Refurbishment work and renovation of attractions and outlets	<u>1,663</u>

#### A11. Material Events During And Subsequent to the End of the Financial Period

In order to curb the spread of COVID-19, Malaysia implemented the Movement Control Order ("MCO") which prohibits all premises from operating except those providing essential services. The MCO came into force on 18 March 2020 and subsequently on 4 May 2020, the Government has enforced a conditional MCO ("CMCO") followed by the recovery MCO ("RMCO") from 10 June 2020 until 31 August 2020. During the MCO and CMCO period, most of our businesses in Klang Valley, Genting Highlands, The Top, Penang and all our water parks remain closed as the family attractions and entertainment do not fall into the approved activities of essential services. However, our Food Service Operations outlets in Shah Alam and Bangsar remained open and accessible to the public. Notwithstanding the above, following the implementation of the RCMO, theme parks, including water parks, were allowed to operate beginning 1 July 2020 while family entertainment centres such as game arcades and indoor theme parks are allowed to reopen starting from 15 July 2020.

#### A12. Changes in Composition of the Group

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

#### A13. Contingent Liabilities or Contingent Assets

The Company provides corporate guarantees amounting to RM72,995,000 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 30/6/2020 RM'000	30/6/2019 RM'000	12 Months Ended 30/6/2020 RM'000	30/6/2019 RM'000
(i) Entities controlled by certain key management personnel:-				
Rental income	54	54	217	217
Sales of food and beverages	-	-	765	765
(ii) Directors:-				
Rental expense	<u>(270)</u>	<u>(270)</u>	<u>(1,080)</u>	<u>(1,080)</u>



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**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2020**

**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	
	30/6/2020 RM'000	30/6/2019 RM'000	RM'000	%
Revenue	1,606	24,916	(23,310)	-94%
LBITDA/EBITDA	(10,856)	3,444	(14,300)	-415%
Loss before taxation	(24,730)	(9,952)	(14,778)	-148%

The Group recorded revenue, LBITDA and loss before taxation of RM1.6 million, RM10.9 million and RM24.7 million respectively for the current financial quarter ended 30 June 2020. The revenue of RM1.6 million represented a decrease of RM23.3 million or approximately 94% as compared to the revenue of RM24.9 million recorded for the corresponding 3-month financial quarter ended 30 June 2019. The Group recorded lower revenue in current quarter 2020 as a result of containment measures undertaken by government to curb the Covid-19 pandemic.

The Food Service Operations segment recorded a decrease in revenue of RM14.8 million to RM0.8 million in the current financial quarter when compared with the preceding year's corresponding quarter of RM15.6 million.

The Amusement and Recreation Operations segment recorded revenue of RM0.4 million for the current financial quarter, which is RM7.5 million lower when compared with the preceding year's corresponding quarter of RM7.9 million.

Loss before taxation for the current financial quarter was RM24.7 million as compared to loss before taxation of RM10.0 million for the preceding year's corresponding quarter ended 30 June 2019.

These were due to the adverse impact from the COVID-19 pandemic and the containment measures undertaken by Government, where our businesses in Klang Valley, Genting Highlands and The Top, Komtar Tower, Penang, were affected and also the impairment of the assets which amounted to approximately RM9.0 million.

## B1. Performance Review (cont'd)

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

	12 Months Ended		Changes	
	30/6/2020	30/6/2019	RM'000	%
Revenue	91,476	120,567	(29,091)	-24%
EBITDA	24,239	25,548	(1,309)	-5%
Loss before taxation	(34,766)	(14,285)	(20,481)	-143%

The Group recorded revenue, EBITDA and loss before taxation of RM91.5 million, RM24.2 million and RM34.8 million respectively for the 12-months FYE 30 June 2020. The revenue of RM91.5 million represented a decrease of RM29.0 million or approximately 24% as compared to the revenue of RM120.6 million recorded for the corresponding 12-months period for the FYE 30 June 2019. For the current 12-month FYE 30 June 2020, the segments of Food Service Operations and Amusement and Recreation Operations segment were the key contributors to the Group's revenue. Out of the Group's revenue of RM91.5 million, approximately 56% was from the segment of Food Service Operations and approximately 30% was from the segment of Amusement and Recreation Operations.

The segment of Food Service Operations recorded a decrease in revenue of RM11.5 million to RM51.5 million for the current 12-months FYE 30 June 2020 when compared with the preceding year's corresponding 12-months period for the FYE 30 June 2019 of RM63.1 million, mainly due to the COVID-19 pandemic and the containment measures undertaken by the Government during the second half of the financial year from March 2020 to June 2020.

The segment of Amusement and Recreation Operations recorded a total decrease in revenue of RM14.5 million from RM42.4 million in the preceding year's corresponding 12-months FYE 30 June 2019 when compared with the current year 12-months period for the FYE 30 June 2020 of RM27.7 million which was also mainly due to the COVID-19 pandemic and containment measures undertaken by the Government during the second half of the financial year from March 2020 to June 2020.

Loss before taxation for the current 12-months FYE 30 June 2020 was RM34.8 million as compared to loss before taxation of RM14.3 million of the preceding year's corresponding 12-months FYE 30 June 2019. The increase in loss before taxation of RM20.5 million was due mainly to the adverse impact from the COVID-19 pandemic and containment measures undertaken by the Government, where our businesses in Klang Valley, Genting Highlands and The Top, Komtar Tower, Penang, were affected and also the impairment of the asset amounted to approximately RM9.3 million.

## **B2. Material Changes in Profit Before Taxation compared with the Immediate Preceding Quarter**

The group reported a loss of RM24.7 million in the current financial quarter compare to the loss before taxation of RM13.0 million in the immediate preceding quarter. The deterioration due mainly to the adverse impact from the COVID-19 pandemic and the containment measures undertaken by the Government, where our businesses in Klang Valley, Genting Highlands and The Top, Komtar Tower, Penang, were affected.

## **B3. Coming Year Prospects**

The Group's overall business volume and its corresponding financial performance have been severely impacted by the unprecedented disruptions to the Group's business operations as a result of the COVID-19 pandemic. Further, the COVID-19 outbreak and containment measures undertaken by the Malaysian Government as well as governments globally have placed significant pressure on the Malaysian economy and the tourism, leisure and hospitality industry.

The MCO implemented by the Malaysian Government to curb the COVID-19 outbreak had resulted in the closure of the Group's amusement and recreation operations, food service outlets located at its family attractions outlets in Klang Valley and The Top @ Komtar Tower, Penang as well as in Genting Highlands, and other services operations with effect from 18 March 2020.

However, the easing of restrictions on economic and social activities following the recovery MCO in Malaysia from 10 June 2020 such as the upliftment of interstate travel ban, allowing the opening of theme parks and allowing patrons to dine-in at food and beverage premises, are anticipated to drive and stimulate the domestic leisure, tourism and hospitality activities. The abovementioned relaxed restrictions are expected to encourage and gradually improve the business volume of the Group's business operations.

Notwithstanding the above, the Company will continue to improve the Group's cost effectiveness across all operating segments, which include regular review of human resources and manpower requirements, optimise usage of utilities, cancel and/or defer non-essential expenditures. In addition, the Group has established stringent health and precautionary procedures at its operating premises to ensure employees well-being and instil patrons' confidence. The said measures are part of the Company's on-going plan, while it prepares for the gradual recovery of the tourism, leisure and hospitality industry.

## **B4. Profit Forecast and Profit Estimate**

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

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

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

	Individual Quarter	Cumulative Quarter
	3 Months Ended	12 Months Ended
	30/6/2020	30/6/2020
	RM'000	RM'000
Amortisation of prepaid lease	759	3,035
Depreciation of property, plant and equipment	5,681	20,231
Depreciation of right-of-use assets	3,136	15,024
Impairment loss on property, plant and equipment	9,001	9,258
Property, plant and equipment written off	768	825
Interest expense	3,709	11,371
Interest income	(179)	(739)

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	
	30/6/2020	30/6/2019	30/6/2020	30/6/2019
	RM'000	RM'000	RM'000	RM'000
Current taxation				
Malaysian - current	-	345	-	1,168
Malaysian - prior year	-	(135)	663	(127)
	-	210	663	1,041
Deferred taxation	-	-	(498)	(12,560)
	-	210	165	(11,519)

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**

On 22 June 2020, on behalf of the Board of Directors of Only World Group Holdings Berhad ("OWG" or "Company") Public Investment Bank Berhad ("PIVB") announced that the Company proposed to undertake a renounceable rights Issue of up to 160,259,996 new ordinary shares in OWG ("OWG Share(s)") ("Rights Share(s)") together with up to 80,129,998 free detachable warrants in OWG ("Warrant B") on the basis of 2 Rights Shares together with 1 free Warrant B for every 5 existing OWG Shares held by the shareholders of the Company on an entitlement date to be determined and announced later ("**Proposed Rights Issue With Warrants**")

On the 10 August 2020, on behalf of the Board, PIVB announced that the listing application in relation to the Proposed Rights Issue with Warrants has been submitted to the Bursa Securities.

## **B8. Group Borrowings**

	As at 30/6/2020 RM'000
Long-term borrowings	
Secured:	
Hire purchase / lease payables	-
Term loans	52,929
	<u>52,929</u>
Short-term borrowings	
Secured:	
Hire purchase / lease payables	-
Term loans	21,565
	<u>21,565</u>
Total borrowings	<u><u>74,494</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 18 August 2020, 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		12 Months Ended	
	30/6/2020	30/6/2019	30/6/2020	30/6/2019
Loss attributable to Owners of the Company (RM'000)	(24,707)	(9,222)	(34,931)	(2,537)
Weighted average number of ordinary shares in issue ('000)	285,100	275,648	285,100	275,648
Basic loss per share (sen)	<u>(8.67)</u>	<u>(3.35)</u>	<u>(12.25)</u>	<u>(0.92)</u>

## (ii) Diluted earnings per share

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	30/6/2020	30/6/2019	30/6/2020	30/6/2019
Loss attributable to Owners of the Company (RM'000)	(24,707)	(9,222)	(34,931)	(2,537)
Weighted average number of ordinary shares in issue ('000)	285,100	275,648	285,100	275,648
Adjustment for potential conversion of warrants ('000)	_*	_*	_*	_*
	<u>285,100</u>	<u>275,648</u>	<u>285,100</u>	<u>275,648</u>
Diluted loss per share (sen)	<u>(8.67)</u>	<u>(3.35)</u>	<u>(12.25)</u>	<u>(0.92)</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. Auditors' Report On Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 30 June 2019 was unqualified.

**B13. Authorisation Of Issue**

The interim financial statements was authorised for issuance by the Board of Directors in accordance with a resolution of the Directors on 25 August 2020.