



ONLY WORLD GROUP HOLDINGS BERHAD

Registration No: 201201041977 (1033338-K)

INTERIM FINANCIAL REPORT  
FOR THE THIRD QUARTER ENDED 31 MARCH 2021

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 Months Ended		9 Months Ended	
	31/3/2021	31/3/2020	31/3/2021	31/3/2020
Note	RM'000	RM'000	RM'000	RM'000
Revenue	2,271	19,110	21,236	89,870
Cost of sales	(11,533)	(23,364)	(40,003)	(77,626)
<b>Gross loss</b>	(9,262)	(4,254)	(18,767)	12,244
Other income	356	465	1,829	1,795
	(8,906)	(3,789)	(16,938)	14,039
Selling and distribution expenses	(24)	(171)	(155)	(877)
Administrative expenses	(2,529)	(4,273)	(7,924)	(13,210)
Other expenses	(417)	(595)	(1,468)	(2,327)
<b>(Loss) from operations</b>	(11,876)	(8,828)	(26,485)	(2,375)
Finance costs	(2,201)	(4,238)	(6,151)	(7,662)
<b>(Loss) before taxation</b>	(14,077)	(13,066)	(32,636)	(10,037)
Taxation	-	15	-	(164)
<b>(Loss) after taxation</b>	(14,077)	(13,051)	(32,636)	(10,201)
Other comprehensive income	-	-	-	-
<b>Total comprehensive expenses for the financial period</b>	(14,077)	(13,051)	(32,636)	(10,201)
<b>Loss after taxation attributable to:-</b>				
- Owners of the Company	(14,074)	(13,045)	(32,628)	(10,188)
- Non-Controlling interests	(3)	(6)	(8)	(13)
	(14,077)	(13,051)	(32,636)	(10,201)
<b>Total comprehensive expenses attributable to:-</b>				
- Owners of the Company	(14,080)	(13,045)	(32,628)	(10,188)
- Non-Controlling interests	3	(6)	(8)	(13)
	(14,077)	(13,051)	(32,636)	(10,201)
<b>Loss per share (sen) attributable to Owners of the Company</b>				
- Basic	(4.30)	(4.40)	(9.97)	(3.44)
- Diluted	(4.19)	(4.40)	(9.83)	(3.44)

(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 2020 and the Explanatory Notes for the quarter ended 31 March 2021)



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	As at 31/3/2021 (Unaudited) RM'000	As at 30/6/2020 (Audited) RM'000
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		153,571	169,950
Right-of-use assets		180,965	188,648
Intangible assets		313	313
Deferred tax assets		12,897	12,897
		347,746	371,808
<b>CURRENT ASSETS</b>			
Inventories		1,740	2,188
Trade receivables		6,345	5,361
Other receivables, deposits and prepayments		7,842	10,290
Current tax assets		1,822	2,307
Fixed deposits with licensed banks		33,043	31,979
Cash and bank balances		13,644	7,686
		64,436	59,811
<b>TOTAL ASSETS</b>		412,182	431,619
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital		200,530	197,809
Reserves		10,960	23,855
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		211,490	221,664
Non-controlling interests		1,334	1,342
<b>TOTAL EQUITY</b>		212,824	223,006
<b>NON-CURRENT LIABILITIES</b>			
Leases liabilities		61,018	68,782
Long-term borrowings	B8	50,497	50,527
Deferred tax liabilities		829	1,510
Deferred income		1,051	898
		113,395	121,717
<b>CURRENT LIABILITIES</b>			
Trade payables		4,168	5,754
Other payables, deposits received and accruals		31,626	26,001
Amount owing to holding company		-	9,138
Leases liabilities		18,032	12,219
Short-term borrowings	B8	23,998	23,998
Bank overdrafts		8,139	9,586
Current tax liabilities		-	200
		85,963	86,896
<b>TOTAL LIABILITIES</b>		199,358	208,613
<b>TOTAL EQUITY AND LIABILITIES</b>		412,182	431,619
Net assets per share attributable to Owners of the Company (RM)		0.71	0.75

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2020 and the Explanatory Notes for the quarter ended 31 March 2021)



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**INTERIM FINANCIAL REPORT  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	←	Non-Distributable		→	Distributable	Attributable	Non-	Total	
Share Capital	Warrant Reserve	Merger Deficit	Revaluation Reserve	Capital Reserve	Retained Profits	To Owners of The Group	controlling Interests	Equity	
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>9 Months Ended 31 March 2021</b>									
At 1 July 2020	197,809	-	(56,777)	18,096	1,200	61,336	221,664	1,342	223,006
Prior year adjustment	-	-	-	-	-	(851)	(851)	-	(851)
As per restated	197,809	-	(56,777)	18,096	1,200	60,485	220,813	1,342	222,155
Loss after taxation for the financial period	-	-	-	-	-	(32,628)	(32,628)	(8)	(32,636)
Contribution by and distribution to owners of the Company:									
- issue right shares issued	23,948	-	-	-	-	-	23,948	-	23,948
- issuance of warrants	(21,135)	21,135	-	-	-	-	-	-	-
- right issued shares issuance expenses	(92)	-	-	-	-	-	(92)	-	(92)
- issuance of warrants expenses	-	(551)	-	-	-	-	(551)	-	(551)
	2,721	20,584	-	-	-	-	23,305	-	23,305
<b>At 31 March 2021 (Unaudited)</b>	<b>200,530</b>	<b>20,584</b>	<b>(56,777)</b>	<b>18,096</b>	<b>1,200</b>	<b>27,857</b>	<b>211,490</b>	<b>1,334</b>	<b>212,824</b>



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	← Non-Distributable →	Distributable	Attributable	Non-	Total			
Share Capital RM'000	Merger Deficit RM'000	Revaluation Reserve RM'000	Capital Reserve RM'000	Retained Profits RM'000	To Owners of The Group RM'000	controlling Interests RM'000	Equity RM'000	
<b>9 Months Ended 31 March 2020</b>								
<b>At 1 July 2019</b>	197,809	(56,777)	18,096	1,200	97,506	257,834	1,379	259,213
Prior year adjustment				(152)	(152)			(152)
As per restated	197,809	(56,777)	18,096	1,200	97,354	257,682	1,379	259,061
Profit after taxation for the financial period	-	-	-	-	(10,188)	(10,188)	(13)	(10,201)
Changes in a subsidiary's ownership interests that do not result in a loss of control	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	-	-
<b>At 31 March 2020 (Unaudited)</b>	<u>197,809</u>	<u>(56,777)</u>	<u>18,096</u>	<u>1,200</u>	<u>87,166</u>	<u>247,494</u>	<u>1,366</u>	<u>248,860</u>

(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 2020 and the Explanatory Notes for the quarter ended 31 March 2021)



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**INTERIM FINANCIAL REPORT  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>9 Months Ended</b>	
	<b>31/3/2021</b>	<b>31/3/2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(32,636)	(10,037)
Adjustments for:-		
Amortisation of prepaid leases	-	2,275
Depreciation of property, plant and equipment	16,954	17,008
Depreciation of right-of-use assets	7,910	9,425
Impairment loss on property, plant and equipment	-	257
Interest expense on lease liabilities	4,182	2,716
Other interest expense	1,969	4,946
Property, plant and equipment written off	-	58
Interest income	(425)	(587)
Operating (loss)/profit before working capital changes	(2,046)	26,061
Decrease/(Increase) in inventories	447	(122)
Decrease/(Increase) in trade and other receivables	1,465	(841)
Increase in trade and other payables	2,948	6,329
Increase/(Decrease) in amount due to Directors	-	(10)
Cash generated from operations	2,814	31,417
Tax refund/(paid)	(175)	(206)
Interest paid	(6,150)	(7,662)
Interest received	425	587
<b>NET CASH (USED IN)/GENERATED FROM OPERATIONS</b>	<b>(3,086)</b>	<b>24,136</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Addition to right-of-use assets	-	(71,334)
Placement of fixed deposits	(1,064)	(2,595)
Purchase of property, plant and equipment	(631)	(2,375)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(1,695)</b>	<b>(76,304)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of hire purchase obligations	-	71,334
Proceeds from issuance of shares from right issue	23,948	-
Repayment of hire purchase obligations	-	(9,138)
Net repayment of hire purchase obligations/lease liabilities	(1,981)	-
Repayment of term loans	-	(17,327)
Repayment to holding company	(9,138)	-
Shares issuance expenses paid	(643)	-
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<b>12,186</b>	<b>44,869</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>7,405</b>	<b>(7,299)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>	<b>(1,900)</b>	<b>360</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	<b>5,505</b>	<b>(6,939)</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 2020 and the Explanatory Notes for the quarter ended 31 March 2021)



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

	<b>9 Months Ended</b>	
	<b>31/3/2021</b>	<b>31/3/2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:-</b>		
Fixed deposit with licensed banks	33,043	31,422
Cash and bank balances	13,644	3,737
Bank overdrafts	<u>(8,139)</u>	<u>(10,676)</u>
	38,548	24,483
Less: Fixed deposits pledged with licensed banks	<u>(33,043)</u>	<u>(31,422)</u>
	<u>5,505</u>	<u>(6,939)</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 2020 and the Explanatory Notes for the year ended 31 December 2020)



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**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2021**

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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 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 2020 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 2020 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 2020 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**

Amendments to MFRS 3	Definition of Business
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform
Amendments to MFRS 101 and MFRS 108	Definition of Material
Amendments to References to the Conceptual Framework in MFRS Standards	

The adoption of above amendments and interpretation did not result in any significant change to the accounting policies and did not have a material impact on the interim financial report of the Group.

## 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 MASB but are not yet effective for the current financial year:-

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
Amendments to MFRS 16 Covid-19 Related Rent Concessions beyond 30 June 2021	1 April 2021
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 3 Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 9, MFRS 139 and MFRS 7, MFRS 4 and MFRS 16	1 January 2021
Amendments to MFRS 10, and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture its Associate or Joint Venture	Deferred
Amendments MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101 Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 116 Property, Plant and Equipment – Proceeds before Intended Intended Use	1 January 2022
Amendments to MFRS 137 Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.



### **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 2020.

### **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.

- (i) The segmental result for the nine (9) months ended 31 March 2021 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>The Group RM'000</b>
<b>Segment revenue</b>					
External revenue	13,009	6,299	1,928	-	21,236
Inter-segment revenue	2,986	28	353	(3,367)	-
<b>Total revenue</b>	<u>15,995</u>	<u>6,327</u>	<u>2,281</u>	<u>(3,367)</u>	<u>21,236</u>
<b>Segment profit/(loss)</b>	6,243	(821)	(6,592)	-	(1,170)
Depreciation and amortisation					(24,864)
Impairment loss on property, plant and equipment					-
Property, plant and equipment written off					-
Finance costs					<u>(6,151)</u>
Loss before taxation					<u>(32,185)</u>
Taxation					-
<b>Loss for the period</b>					<u><u>(32,185)</u></u>

- (ii) The segmental result for the nine (9) months ended 31 March 2020 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	50,672	27,319	11,879	-	89,870
Inter segment revenue	12,030	146	434	(12,610)	-
<b>Total segment revenue</b>	<u>62,702</u>	<u>27,465</u>	<u>12,313</u>	<u>(12,610)</u>	<u>89,870</u>
<b>Segment profit/(loss)</b>	10,845	11,278	4,525	-	26,648
Depreciation and amortisation					(28,708)
Impairment loss on property, plant and equipment					(257)
Property, plant and equipment written off					(58)
Finance costs					<u>(7,662)</u>
Loss before taxation					<u>(10,037)</u>
Taxation					(164)
<b>Profit for the period</b>					<u><u>(10,201)</u></u>

#### **A10. Capital Commitment**

Capital commitment for property and equipment not provided for as at 31 March 2021 were as follows:-

	As at 31/3/2021 RM'000
Approved and not contracted for:-	
Refurbishment works and renovation of family attractions & food service outlets.	<u>1,663</u>

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

Malaysia implemented the extended Conditional Movement Control Order ("CMCO") on 31 March 2021 in order to curb the second wave spread of COVID-19 in Kuala Lumpur, Selangor, Johor, Kelantan and Penang from 15 April 2021 to 28 April 2021, as well as the Recovery Movement Control Order ("RMCO") was extended to other states in Kedah, Labuan, Melaka, Pahang, Perak, Perlis, Putrajaya and Terengganu with effect from 1 April 2021 until 28 April 2021. Subsequent to the end of the financial period, as daily COVID-19 cases continue to rise, the Government has imposed the Movement Control Order 3.0 ("MCO 3.0") on 27 April 2021 for Kelantan to contain the chain of infection of the virus. During the extended CMCO, RMCO and MCO 3.0 period, our businesses in Klang Valley, Genting and Komtar Penang are allowed to operate but with strict adherence to standard operating procedures ("SOP"). Further, some of our Food Service Operations outlets in Shah Alam, Bangsar and Penang remained open and accessible to the public throughout the period. However, due to the recent increase in COVID-19 cases, the Government had reimposed MCO 3.0 in 6 districts in Selangor from 6 May 2021 to 17 May 2021 and Kuala Lumpur from 7 May 2021 to 20 May 2021 to curb the spread of the COVID-19 pandemic. Subsequently, the Government had imposed a nationwide MCO 3.0 starting from 12 May 2021 to 7 June 2021.

#### **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 RM69,660,000 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

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	3 Months Ended		9 Months Ended	
	<u>31/3/2021</u>	<u>31/3/2020</u>	<u>31/3/2021</u>	<u>31/3/2020</u>
	RM'000	RM'000	RM'000	RM'000
(i) Entities controlled by certain key management personnel:-				
Rental income	54	54	54	54
Sales of food and beverages		195		765
(ii) Directors:-				
Rental expense	(270)	(270)	(270)	(270)



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**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	
	31/3/2021	31/3/2020	RM'000	%
	RM'000	RM'000	RM'000	
Revenue	2,271	19,110	(16,839)	-88%
EBITDA	(3,651)	6,045	(9,696)	-160%
Loss before taxation	(14,077)	(13,066)	(1,011)	8%

The Group recorded revenue, EBITDA and loss before taxation of RM2.3 million, RM3.7 million and RM14.1 million respectively for the current financial quarter ended 31 March 2021. The revenue decreased by RM16.8 million or approximately 88% as compared to the revenue of RM19.1 million recorded for the corresponding 3-months financial quarter ended 31 March 2020. As a result of the containment measures undertaken by the Government to curb the COVID-19 pandemic which resulted in lower business volume for the Group's segments.

The Food Service Operations segment recorded a decrease in revenue of RM10.2 million to RM1.5 million in the current financial quarter when compared with the preceding year's corresponding quarter of RM11.7 million;

The Amusement and Recreation Operations segment recorded revenue of RM0.7 million for the current financial quarter, which is RM3.7 million lower when compared with the preceding year's corresponding quarter of RM4.4 million; and

The Other Services segment recorded revenue of RM0.03 million for the current financial quarter, which is RM3.0 million lower when compared with the preceding year's corresponding quarter of RM3.0 million.

The loss in revenue arising from the lower business volume had contributed to a loss before taxation for the current financial quarter of RM14.1 million as compared to loss before taxation of RM13.1 million for the preceding year's corresponding quarter ended 31 March 2020.

## B1. Performance Review (cont'd)

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

	9 Months Ended		Changes	
	31/3/2021	31/3/2020	RM'000	%
Revenue	21,236	89,870	(68,634)	-76%
EBITDA	(1,170)	26,648	(27,818)	-104%
Loss before taxation	(32,636)	(10,037)	(22,599)	-225%

The Group achieved revenue, EBITDA and loss before taxation of RM21.2 million, RM1.2 million and RM32.7 million respectively for the 9-month financial year ended 31 March 2021. The revenue of RM21.2 million represented a decrease of RM68.6 million or approximately 76% as compared to the revenue of RM89.9 million recorded for the corresponding 9-months period for the financial year ended 31 March 2020. For the current 9-months financial year ended 31 March 2021, 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 RM21.2 million, approximately 61% 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 decrease in revenue of RM37.7 million to RM13 million in the current 9-months financial year ended 31 March 2021 when compared with the preceding year corresponding 9-months period for the financial year ended 31 March 2020 of RM50.6 million, mainly due to the unprecedented COVID-19 disease pandemic which restricted the movement of nation.

The segment of Amusement and Recreation Operations recorded a total decrease in revenue of RM21.0 million from RM27.3 million in the preceding 9-months financial period ended 31 March 2020 when compared with the current year 9-months period for the financial year ended 31 March 2021 of RM6.3 million. It was mainly due to the implementation of inter-state and inter-district movement control and the strict standard operating procedures that limiting the number of visitors by 50% capacity of the park had caused significant decreased in the number of visitors to the parks.

The other service segment recorded revenue of RM1.9 million in the current 9-months financial period ended 31 March 2021 which is RM9.95 million lower compared to the preceding 9-months financial period ended 31 March 2020 mainly due to the implementation of the containment measures taken by the government to curb the spread of COVID-19.

Loss before taxation for the current 9-months financial period ended 31 March 2021 was RM32.6 million as compared to loss before taxation of RM10.0 million of the preceding year's corresponding year-to-date ended 31 March 2020. The increase in loss before taxation of RM22.6 million was mainly due to the unprecedented COVID-19 disease pandemic which is felt worldwide causing disruption to global economy.

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

The group reported a loss before taxation of RM14.1 million in the current financial quarter compared to the loss before taxation of RM9.9 million in the immediate preceding quarter. The increase in the loss before taxation was mainly due to the impact from the COVID-19 pandemic and the containment measures undertaken by the Government, which affected businesses in the Klang Valley, Genting Highlands and The Top @ Komtar Tower, Penang.

## **B3. Current Year Prospects**

The Group's overall business volume and its corresponding financial performance have been severely impacted by the unprecedented disruptions of the COVID-19 pandemic, which had resulted in lower business volume throughout its outlets. Further, the COVID-19 pandemic and containment measures undertaken by the Government and the closure of the cross countries border have placed significant pressure on the Malaysian economy and the tourism, leisure and hospitality industry.

Notwithstanding the above, the Company has improved the food delivery service, embarked into the ecommerce business and will continue to improve the Group's cost efficiency across all operating segments, which include regular review of manpower requirements, minimise 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.

With the launching of the COVID-19 vaccination plan, the Malaysian economy is projected to return to positive growth in the coming months. Even though the pandemic still persists this year, the Government has taken a more balanced response between the livelihoods of its citizens and allowing more economic sectors to operate with strict adherence to SOPs. As more people are getting vaccinated, it will eventually build the confidence of people to engage in activities such as travelling, gathering and public functions which they have been avoiding due to the pandemic. Thus, we cautiously foresee a positive outlook for our industry which is expected to recover when consumers' confidence and tourism activities are restored, with more widespread vaccination.

## **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	9 Months Ended
	31/3/2021	31/3/2021
	RM'000	RM'000
Depreciation of property, plant and equipment	5,547	16,954
Depreciation of right-of-use assets	2,678	7,910
Interest expense	2,201	6,151
Interest income	(151)	(425)

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		9 Months Ended	
	31/3/2021	31/3/2020	31/3/2021	31/3/2020
	RM'000	RM'000	RM'000	RM'000
Current taxation				
Malaysian - current	-	-	-	-
Malaysian - prior year	-	(15)	-	662
	-	(15)	-	662
Deferred taxation	-	-	-	(498)
	-	(15)	-	164

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 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”).



## B7. Status of Corporate Proposals Announced (cont'd)

On 10 August 2020, the listing application in relation to the Proposed Rights Issue with Warrants has been submitted to Bursa Securities and on 8 September 2020, Bursa Securities had given its approval. Subsequently, the Rights Issue with Warrants was approved by the shareholders at the Extraordinary General Meeting on 30 September 2020.

The Rights Issue with Warrants is completed following the listing of and quotation for 114,039,965 Rights Shares, 57,019,981 Warrants B and 17,189,050 additional Warrants A on the Main Market of Bursa Securities on 2 December 2020. The total proceeds raised from the Rights Issue with Warrants is RM23.95 million.

Status of utilisation of proceeds derived from the corporate proposal by the company are as at 31 March 2021 was as follows:-

	<b>Proposed Utilisation (RM'000)</b>	<b>Actual Utilisation (RM'000)</b>	<b>Unutilised proceeds (RM'000)</b>	<b>Time frame for utilisation of proceeds from the date of listing of the Rights shares</b>
Set-off arrangement	9,137	9,137	-	Immediate
Repayment of bank borrowing	-	-	-	Within 6 months
Working capital requirements	14,111	2,821	11,290	Within 12 months
Estimated expense arising from the Rights Issue with Warrants	700	643	57	Immediate
Total	<u>23,948</u>	<u>12,601</u>	<u>11,347</u>	

### Notes:

(a) The proposed utilisation of the proceeds is based on the actual proceeds raised upon the completion of the Rights Issue with Warrants, which is a scenario in between the Minimum Scenario and Maximum Scenario as disclosed in the circular to shareholders dated 15 September 2020 ("Circular") and abridged prospectus dated 3 November 2020 ("Abridged Prospectus") in respect of the Rights Issue with Warrants. The actual proceeds raised of RM23.95 million represents additional proceeds raised of RM11.04 million as compared to the Minimum Scenario of RM12.91 million. For ease of reference, the proposed utilisation as disclosed in the Circular and Abridged Prospectus are as follows:

<b>Proposed utilisation</b>	<b>Minimum Scenario (RM'000)</b>	<b>Maximum Scenario (RM'000)</b>	<b>Estimated timeframe for utilisation of proceeds from the date of listing of the Right Shares</b>
Set-off arrangement	9,137	9,137	Immediate
Repayment of bank borrowing	-	8,500	Within 6 months
Working capital requirements	3,075	15,318	Within 12 months
Estimated expense arising from the Rights Issue with Warrants	700	700	Immediate
Total	<u>12,912</u>	<u>33,655</u>	

**B7. Status of Corporate Proposals Announced (cont'd)**

(b) Based on the quarterly report of OWG for the financial period ended 31 December 2020 (“QR FPE 31 December 2020”), the Group had initially intended to utilise RM8.50 million to pare down its bank borrowings. However, in February 2021, the Group had been granted a moratorium from a financial institution for the repayment of its bank borrowings which is effective from 2021 until 2022. In view of the aforementioned moratorium, the amount allocated for the repayment of bank borrowings of RM8.50 million as disclosed in the QR FPE 31 December 2020 has now been re-allocated to meet the Group’s working capital requirements for its day-to-day operations.

(c) Slight deviation due to lower actual expenses incurred. The excess amount has been reallocated for the Group’s working capital requirements.

**B8. Group Borrowings**

	As at 31/3/2021 <u>RM'000</u>
Long-term borrowings	
Secured:	
Hire purchase / lease payables	-
Term loans	<u>50,497</u>
	<u>50,497</u>
Short-term borrowings	
Secured:	
Hire purchase / lease payables	-
Term loans	<u>23,998</u>
	<u>23,998</u>
Total borrowings	<u><u>74,495</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 15 May 2021, 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		9 Months Ended	
	31/3/2021	31/3/2020	31/3/2021	31/3/2020
Loss attributable to Owners of the Company (RM'000)	(14,074)	(13,045)	(32,628)	(10,188)
Weighted average number of ordinary shares in issue ('000)	327,404	296,504	327,404	296,504
Basic (loss)/earnings per share (sen)	<u>(4.30)</u>	<u>(4.40)</u>	<u>(9.97)</u>	<u>(3.44)</u>

## (ii) Diluted earnings per share

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		9 Months Ended	
	31/3/2021	31/3/2020	31/3/2021	31/3/2020
Loss attributable to Owners of the Company (RM'000)	(14,074)	(13,045)	(32,628)	(10,188)
Weighted average number of ordinary shares in issue ('000)	335,708	296,504	331,759	296,504
Adjustment for potential conversion of warrants ('000)	_*	_*	_*	_*
	<u>335,708</u>	<u>296,504</u>	<u>331,759</u>	<u>296,504</u>
Diluted loss per share (sen)	<u>(4.19)</u>	<u>(4.40)</u>	<u>(9.83)</u>	<u>(3.44)</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 2020 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 21 May 2021.