



ONLY WORLD GROUP HOLDINGS BERHAD

Registration No: 201201041977 (1033338-K)

INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2021

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 Months Ended		3 Months Ended	
	30/9/2021 (Unaudited) RM'000	30/9/2020 (Unaudited) RM'000	30/9/2021 (Unaudited) RM'000	30/9/2020 (Unaudited) RM'000
Revenue	1,019	13,463	1,019	13,463
Cost of sales	(8,202)	(16,054)	(8,202)	(16,054)
Gross loss	(7,183)	(2,591)	(7,183)	(2,591)
Other income	416	505	416	505
	(6,767)	(2,086)	(6,767)	(2,086)
Selling and distribution expenses	(53)	(172)	(53)	(172)
Administrative expenses	(1,631)	(3,229)	(1,631)	(3,229)
Other expenses	(352)	(495)	(352)	(495)
Loss from operations	(8,803)	(5,982)	(8,803)	(5,982)
Finance costs	(2,000)	(2,240)	(2,000)	(2,240)
Loss before taxation	(10,803)	(8,222)	(10,803)	(8,222)
Taxation	(7)	(50)	(7)	(50)
Loss after taxation	(10,810)	(8,272)	(10,810)	(8,272)
Other comprehensive income	-	-	-	-
Total comprehensive expenses for the financial period	(10,810)	(8,272)	(10,810)	(8,272)
Loss after taxation attributable to:-				
- Owners of the Company	(10,809)	(8,269)	(10,809)	(8,269)
- Non-Controlling interests	(1)	(3)	(1)	(3)
	(10,810)	(8,272)	(10,810)	(8,272)
Total comprehensive expenses attributable to:-				
- Owners of the Company	(10,809)	(8,269)	(10,809)	(8,269)
- Non-Controlling interests	(1)	(3)	(1)	(3)
	(10,810)	(8,272)	(10,810)	(8,272)
Loss per share (sen) attributable to Owners of the Company				
- Basic	(3.08)	(2.90)	(3.08)	(2.90)
- Diluted	(3.03)	(2.90)	(3.03)	(2.90)

(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 2021 and the Explanatory Notes for the quarter ended 30 September 2021)



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**INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2021**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30/9/2021 (Unaudited) RM'000	As at 30/6/2021 (Audited) RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	139,749	143,903
Right-of-use assets	175,928	177,768
Intangible assets	221	219
Deferred tax assets	12,897	12,897
	328,795	334,787
CURRENT ASSETS		
Inventories	1,895	1,886
Trade receivables	5,175	2,281
Other receivables, deposits and prepayments	7,794	8,368
Current tax assets	2,724	2,653
Fixed deposits with licensed banks	33,627	33,476
Cash and bank balances	5,238	8,350
	56,453	57,014
TOTAL ASSETS	385,248	391,801
EQUITY AND LIABILITIES		
EQUITY		
Share capital	201,080	201,080
Reserves	(8,941)	1,868
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	192,139	202,948
Non-controlling interests	1,325	1,326
TOTAL EQUITY	193,464	204,274
NON-CURRENT LIABILITIES		
Leases liabilities	66,477	66,477
Long-term borrowings	71,054	71,054
Deferred tax liabilities	829	829
Deferred income	891	861
	139,251	139,221
CURRENT LIABILITIES		
Trade payables	4,051	4,025
Other payables, deposits received and accruals	26,470	22,851
Leases liabilities	10,578	11,521
Short-term borrowings	3,660	3,622
Bank overdrafts	7,715	6,237
Current tax liabilities	59	50
	52,533	48,306
TOTAL LIABILITIES	191,784	187,527
TOTAL EQUITY AND LIABILITIES	385,248	391,801
Net assets per share attributable to Owners of the Company (RM)	0.55	0.58

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



ONLY WORLD GROUP HOLDINGS BERHAD

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**INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2021**

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	
<u>3 Months Ended 30 September 2021</u>									
At 1 July 2021	201,080	20,033	(56,777)	18,096	1,200	19,316	202,948	1,326	204,274
Loss after taxation for the financial period	-	-	-	-	-	(10,809)	(10,809)	(1)	(10,810)
At 30 September 2021 (Unaudited)	<u>201,080</u>	<u>20,033</u>	<u>(56,777)</u>	<u>18,096</u>	<u>1,200</u>	<u>8,507</u>	<u>192,139</u>	<u>1,325</u>	<u>193,464</u>
<u>3 Months Ended 30 September 2020</u>									
At 1 July 2020	197,809	-	(56,777)	18,096	1,200	61,336	221,664	1,342	223,006
Loss after taxation for the financial period	-	-	-	-	-	(8,269)	(8,269)	(3)	(8,272)
At 30 September 2020 (Unaudited)	<u>197,809</u>	<u>-</u>	<u>(56,777)</u>	<u>18,096</u>	<u>1,200</u>	<u>53,067</u>	<u>213,395</u>	<u>1,339</u>	<u>214,734</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 2021 and the Explanatory Notes for the quarter ended 30 September 2021)



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

**INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2021**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	3 Months Ended	
	30/9/2021	30/9/2020
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(10,803)	(8,222)
Adjustments for:-		
Depreciation of property, plant and equipment	5,766	5,624
Depreciation of right-of-use assets	1,267	2,679
Interest expense on lease liabilities	788	1,439
Other interest expense	1,212	801
Interest income	(173)	(143)
Operating (loss)/profit before working capital changes	(1,943)	2,178
(Increase)/Decrease in inventories	(8)	272
Increase in trade and other receivables	(2,322)	(795)
Increase in trade and other payables	2,676	4,589
Cash (used in)/generated from operations	(1,597)	6,244
Tax (paid)/refunded	(71)	269
Interest paid	(2,000)	(2,240)
NET CASH (USED IN)/GENERATED FROM OPERATIONS	(3,668)	4,273
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	173	143
Placement of fixed deposits	(151)	(425)
Purchase of intangible assets	(1)	-
Purchase of property, plant and equipment	-	(267)
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES	21	(549)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment of hire purchase obligations/lease liabilities	(943)	(1,119)
NET CASH USED IN FINANCING ACTIVITIES	(943)	(1,119)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(4,590)	2,605
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	2,546	(1,900)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	(2,044)	705
CASH AND CASH EQUIVALENTS COMPRISE:-		
Fixed deposit with licensed banks	33,627	32,404
Cash and bank balances	5,238	6,721
Bank overdrafts	(7,715)	(6,016)
	31,150	33,109
Less: Fixed deposits pledged with licensed banks	(33,194)	(32,404)
	(2,044)	705

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



ONLY WORLD GROUP HOLDINGS BERHAD

Registration No: 201201041977 (1033338-K)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2021

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 2021 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 2021 except for the adoption of the relevant new MFRSs, amendments to MFRSs and IC Interpretations which are applicable to the financial statements and are relevant to the operations:

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 a Business
Amendments to MFRS 4	Extension of the Temporary Exemption from Applying MFRS 9
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/or 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:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)		Effective Date
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	Interest Rate Benchmark Reform - Phase 2	1 January 2021
Amendments to MFRS 10, and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to 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 101	Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before 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 2021.

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 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

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 three (3) months ended 30 September 2021 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	559	45	415	-	1,019
Inter-segment revenue	76	-	43	(119)	-
Total revenue	<u>635</u>	<u>45</u>	<u>458</u>	<u>(119)</u>	<u>1,019</u>
Segment loss	(784)	(928)	(231)	-	(1,943)
Depreciation of property, plant and equipment					(5,766)
Depreciation of right-of-use assets					(1,267)
Finance costs					(2,000)
Finance income					173
Loss before taxation					<u>(10,803)</u>
Taxation					<u>(7)</u>
Loss for the period					<u><u>(10,810)</u></u>

- (ii) The segmental result for the three (3) months ended 30 September 2020 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	8,468	4,100	895	-	13,463
Inter segment revenue	1,907	12	109	(2,028)	-
Total segment revenue	<u>10,375</u>	<u>4,112</u>	<u>1,004</u>	<u>(2,028)</u>	<u>13,463</u>
Segment profit/(loss)	4,011	1,318	(3,008)	-	2,321
Depreciation of property, and equipment					(5,624)
Depreciation of right-of-use assets					(2,679)
Finance costs					<u>(2,240)</u>
Loss before taxation					<u>(8,222)</u>
Taxation					<u>(50)</u>
Loss for the period					<u><u>(8,272)</u></u>

A10. Capital Commitment

Capital commitment for property and equipment not provided for as at 30 September 2021 were as follows:-

	As at 30/9/2021 RM'000
Approved and not contracted for:- Refurbishment works and renovation of family attractions & food service outlets.	<u>2,431</u>

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

Malaysia introduced a four-phase National Recovery Plan ("NRP") to help the country emerge from the COVID-19 pandemic on 15 June 2021. Due to Kelantan, Pahang, Perak, Perlis, Pulau Pinang, Sabah, Sarawak and Terengganu having met the NRP conditions needed, the Government has allowed these states to move to Phase 2 of the NRP in July 2021, whereas, Labuan, Negeri Sembilan, Perlis and Sarawak are allowed to move to Phase 3 in August 2021. On 10 September 2021, the Government announced that Kuala Lumpur, Putrajaya and Selangor moved to Phase 2 of the NRP with interdistrict travel permitted for fully-vaccinated individuals. Further, in late August 2021, the Government had permitted fully-vaccinated patrons to dine-in at eateries and restaurants. The Group, however, will remain cautious and only gradually reopen its outlets and allow dine-in at its food service outlets, with strict adherence to SOP and close monitoring of the current COVID-19 situation. On 1 October 2021, Selangor, Kuala Lumpur, Putrajaya, Melaka, and Kedah moved to Phase 3, as the overall R-naught infection value, number of daily infections, and ICU COVID-19 patient rates had dropped in those states. On 10 October 2021, the Government announced international travel, interstate travel and domestic travel will be allowed for all fully vaccinated Malaysians from 11 October 2021. Kuala Lumpur, Selangor, Putrajaya, and Melaka moved to Phase 4 on 18 October 2021 as announced by the Government.

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 RM67,956,000 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		3 Months Ended	
	30/9/2021	30/9/2020	30/9/2021	30/9/2020
	RM'000	RM'000	RM'000	RM'000
(i) Entities controlled by certain key management personnel:- Rental income	45	54	45	54
(ii) Directors:- Rental expense	<u>(270)</u>	<u>(270)</u>	<u>(270)</u>	<u>(270)</u>



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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2021

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	
	30/9/2021	30/9/2020	RM'000	%
Revenue	1,019	13,463	(12,444)	-92%
(LBITDA)/EBITDA	(1,943)	2,321	(4,264)	-184%
Loss before taxation	(10,803)	(8,222)	(2,581)	-31%

The Group recorded revenue, LBITDA and loss before taxation of RM1.0 million, RM1.9 million and RM10.8 million respectively for the current financial quarter ended 30 September 2021. The revenue decreased by RM12.4 million or approximately 92% as compared to the revenue of RM13.5 million recorded for the corresponding 3-months financial quarter ended 30 September 2020.

The Food Service Operations segment recorded a decrease in revenue of RM7.9 million to RM0.6 million in the current financial quarter when compared with the preceding year's corresponding quarter of RM8.5 million due to the closure of the outlets and lower business volume as a result of the total lockdown implemented by the Government effective from 1 June 2021.

The Amusement and Recreation Operations segment recorded close to zero revenue for the current financial quarter when compared with the preceding year's corresponding quarter of RM4.1 million as all the amusement and recreation parks were not allowed to operate since the implementation of the total lockdown effective from 1 June 2021, in order to curb the COVID-19 pandemic.

The Other Services segment recorded revenue of RM0.4 million for the current financial quarter, which is RM0.5 million lower when compared with the preceding year's corresponding quarter of RM0.9 million due to the total lockdown measures undertaken by the Government to curb the COVID-19 pandemic.

The loss in revenue arising from the lower business volume during the total lockdown period had contributed to a loss before taxation and LBITDA for the current financial quarter of RM10.8 million and RM1.9 million respectively.

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

	3 Months Ended		Changes	
	30/9/2021	30/6/2021	RM'000	%
Revenue	1,019	4,721	(3,702)	-78%
(LBITDA)/EBITDA	(1,943)	702	(2,645)	-377%
Loss before taxation	(10,803)	(7,235)	(3,568)	49%

The Group recorded revenue, LBITDA and loss before taxation of RM1.0 million, RM1.9 million and RM10.8 million respectively for the current financial quarter ended 30 September 2021. The revenue decreased by RM3.7 million or approximately 78% as compared to the revenue of RM4.7 million recorded for the immediate preceding financial quarter ended 30 June 2021.

The loss in revenue arising from the closure of the outlets and lower business volume during the total lockdown that was effective from 1 June 2021 had contributed to a loss before taxation and LBITDA for the current financial quarter of RM10.8 million and RM1.9 million respectively as compared to a loss before taxation and EBITDA of RM7.2 million and RM0.7 million respectively for the immediate preceding quarter ended 30 June 2021.

B3. Coming Year Prospects

The Group's businesses are mostly involved in the tourism industry, which have been heavily affected by the global pandemic. Tourism activities are likely to be the last group of business activities to restart, and on a phased basis. Even when our businesses are reopened, there are the new operating procedures whereby restricted capacity would be implemented at our outlets. Demand-side recovery will also take some time as customers confidence level need to be rebuilt and their travel behaviour will be more deeply impacted the longer the pandemic goes on.

On 11 October 2021, Malaysia lifted interstate and international travel restrictions for residents fully vaccinated against COVID-19, and are in discussions with other countries to ease travel restrictions for foreign tourists. Our Government has taken all necessary steps to boost the country's vaccination rate and have achieved over 95 per cent full vaccination of adults in November. If our country's COVID-19 vaccine rollout is largely complete by end of year 2021, the tourism industry might expect a rebound in the first half of year 2022. The pent-up demand for travel will also contribute to the strong rebound. Our Group will also continue to re-strategize our business plan to adapt to the changing environment caused by the recent pandemic, as demonstrated by the launch of our online food delivery service, namely *Tapaulah*. Nevertheless, our Group remains positive and poised to leverage on opportunities arising from the expected recovery of the tourism sector and demand for travel.

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		3 Months Ended	
	30/9/2021	30/9/2020	30/9/2021	30/9/2020
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	5,766	5,624	5,766	5,624
Depreciation of right-of-use assets	1,267	2,679	1,267	2,679
Finance costs	2,000	2,240	2,000	2,240
Finance income	(173)	(143)	(173)	(143)

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		3 Months Ended	
	30/9/2021	30/9/2020	30/9/2021	30/9/2020
	RM'000	RM'000	RM'000	RM'000
Current taxation				
Malaysian - current	7	50	7	50
	<u>7</u>	<u>50</u>	<u>7</u>	<u>50</u>

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.

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**”).

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 was 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.

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

The status of the utilisation of proceeds derived from the corporate proposal by the company as at 30 September 2021 are as follows:-

	(a) Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Unutilised proceeds (RM'000)	Time frame for utilisation of proceeds from the date of listing of the Rights shares
Set-off arrangement	9,137	9,137	-	Immediate
Working capital requirements (b)	14,111	8,865	3,164	Within 12 months
Estimated expense arising from the Rights Issue with Warrants (c)	700	643	57	Immediate
Total	23,948	18,645	3,221	

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:

Proposed utilisation	Minimum Scenario (RM'000)	Maximum Scenario (RM'000)	Estimated timeframe for utilisation of proceeds from the date of listing of the Right Shares
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	12,912	33,655	

(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 30/9/2021 RM'000	As at 30/6/2021 RM'000
Long-term borrowings		
Secured:		
Term loans	71,054	71,054
	<u>71,054</u>	<u>71,054</u>
Short-term borrowings		
Secured:		
Term loans	3,660	3,622
	<u>3,660</u>	<u>3,622</u>
Total borrowings	<u>74,714</u>	<u>74,676</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 19 November 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		3 Months Ended	
	30/9/2021	30/9/2020	30/9/2021	30/9/2020
Loss attributable to Owners of the Company (RM'000)	(10,809)	(8,269)	(10,809)	(8,269)
Weighted average number of ordinary shares in issue ('000)	350,712	285,100	350,712	285,100
Basic loss per share (sen)	<u>(3.08)</u>	<u>(2.90)</u>	<u>(3.08)</u>	<u>(2.90)</u>

B11. Earnings Per Share ("EPS") (cont'd)

(ii) Diluted earnings per share

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		3 Months Ended	
	30/9/2021	30/9/2020	30/9/2021	30/9/2020
Loss attributable to Owners of the Company (RM'000)	<u>(10,809)</u>	<u>(8,269)</u>	<u>(10,809)</u>	<u>(8,269)</u>
Weighted average number of ordinary shares in issue ('000)	350,712	285,100	350,712	285,100
Adjustment for potential conversion of warrants ('000)	<u>5,570</u>	<u>-*</u>	<u>5,570</u>	<u>-*</u>
	<u>356,282</u>	<u>285,100</u>	<u>356,282</u>	<u>285,100</u>
Diluted loss per share (sen)	<u>(3.03)</u>	<u>(2.90)</u>	<u>(3.03)</u>	<u>(2.90)</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 FYE 30 June 2021 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 26 November 2021.

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