



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

**INTERIM FINANCIAL REPORT  
FOR THE THIRD QUARTER ENDED 31 MARCH 2022**

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

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>3 Months Ended</b>		<b>9 Months Ended</b>	
	<b>31/3/2022</b>	<b>31/3/2021</b>	<b>31/3/2022</b>	<b>31/3/2021</b>
<i>Note</i>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	20,272	2,271	38,355	21,236
Cost of sales	(16,440)	(11,533)	(38,779)	(40,003)
<b>Gross profit/(loss)</b>	<b>3,832</b>	<b>(9,262)</b>	<b>(424)</b>	<b>(18,767)</b>
Other income	720	356	1,815	1,829
	4,552	(8,906)	1,391	(16,938)
Selling and distribution expenses	(259)	(24)	(388)	(155)
Administrative expenses	(2,762)	(2,529)	(6,791)	(7,924)
Other expenses	(382)	(417)	(1,123)	(1,468)
<b>Profit/(Loss) from operations</b>	<b>1,149</b>	<b>(11,876)</b>	<b>(6,911)</b>	<b>(26,485)</b>
Finance costs	(1,100)	(2,201)	(4,264)	(6,151)
<b>Profit/(Loss) before taxation</b>	<b>49</b>	<b>(14,077)</b>	<b>(11,175)</b>	<b>(32,636)</b>
Taxation	(8)	-	(14)	-
<b>Profit/(Loss) after taxation</b>	<b>41</b>	<b>(14,077)</b>	<b>(11,189)</b>	<b>(32,636)</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income/(expenses) for the financial period</b>	<b>41</b>	<b>(14,077)</b>	<b>(11,189)</b>	<b>(32,636)</b>
<b>Profit/(Loss) after taxation attributable to:-</b>				
- Owners of the Company	42	(14,074)	(11,185)	(32,628)
- Non-Controlling interests	(1)	(3)	(4)	(8)
	41	(14,077)	(11,189)	(32,636)
<b>Total comprehensive income/(expenses) attributable to:-</b>				
- Owners of the Company	42	(14,074)	(11,185)	(32,628)
- Non-Controlling interests	(1)	(3)	(4)	(8)
	41	(14,077)	(11,189)	(32,636)
<b>Profit/(Loss) per share (sen) attributable to Owners of the Company</b>				
- Basic	0.01	(4.01)	(2.80)	(9.30)
- Diluted	0.01	(3.99)	(2.73)	(9.25)

(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 31 March 2022)



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**INTERIM FINANCIAL REPORT  
FOR THE THIRD QUARTER ENDED 31 MARCH 2022**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As at 31/3/2022 (Unaudited) RM'000	As at 30/6/2021 (Audited) RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	133,056	143,903
Right-of-use assets	168,741	177,768
Intangible assets	219	219
Deferred tax assets	12,897	12,897
	314,913	334,787
<b>CURRENT ASSETS</b>		
Inventories	2,692	1,886
Trade receivables	2,278	2,281
Other receivables, deposits and prepayments	8,370	8,368
Current tax assets	2,996	2,653
Fixed deposits with licensed banks	33,990	33,476
Cash and bank balances	9,110	8,350
	59,436	57,014
<b>TOTAL ASSETS</b>	374,349	391,801
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	201,080	201,080
Reserves	(9,317)	1,868
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	191,763	202,948
Non-controlling interests	1,322	1,326
<b>TOTAL EQUITY</b>	193,085	204,274
<b>NON-CURRENT LIABILITIES</b>		
Leases liabilities	66,477	66,477
Long-term borrowings	71,054	71,054
Deferred tax liabilities	677	829
Deferred income	872	861
	139,080	139,221
<b>CURRENT LIABILITIES</b>		
Trade payables	3,144	4,025
Other payables, deposits received and accruals	21,776	22,851
Leases liabilities	11,157	11,521
Short-term borrowings	3,685	3,622
Bank overdrafts	2,363	6,237
Current tax liabilities	59	50
	42,184	48,306
<b>TOTAL LIABILITIES</b>	181,264	187,527
<b>TOTAL EQUITY AND LIABILITIES</b>	374,349	391,801
Net assets per share attributable to Owners of the Company (RM)	0.48	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 31 March 2022)



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**INTERIM FINANCIAL REPORT  
FOR THE THIRD QUARTER ENDED 31 MARCH 2022**

**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><u>9 Months Ended 31 March 2022</u></b>									
<b>At 1 July 2021</b>	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	-	-	-	-	-	(11,185)	(11,185)	(4)	(11,189)
<b>At 31 March 2022 (Unaudited)</b>	<u>201,080</u>	<u>20,033</u>	<u>(56,777)</u>	<u>18,096</u>	<u>1,200</u>	<u>8,131</u>	<u>191,763</u>	<u>1,322</u>	<u>193,085</u>
<b><u>9 Months Ended 31 March 2021</u></b>									
<b>At 1 July 2020</b>	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>	<u>200,530</u>	<u>20,584</u>	<u>(56,777)</u>	<u>18,096</u>	<u>1,200</u>	<u>27,857</u>	<u>211,490</u>	<u>1,334</u>	<u>212,824</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 31 March 2022)



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**INTERIM FINANCIAL REPORT  
FOR THE THIRD QUARTER ENDED 31 MARCH 2022**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	9 Months Ended	
	31/3/2022 RM'000	31/3/2021 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(11,175)	(32,636)
Adjustments for:-		
Depreciation of property, plant and equipment	10,846	16,954
Depreciation of right-of-use assets	9,026	7,910
Interest expense on lease liabilities	1,945	4,182
Other interest expense	2,319	1,969
Interest income	(561)	(425)
Operating profit/(loss) before working capital changes	12,400	(2,046)
(Increase)/Decrease in inventories	(801)	448
Decrease in trade and other receivables	119	1,465
(Decrease)/Increase in trade and other payables	(1,555)	2,948
Cash generated from operations	10,163	2,815
Tax paid	(71)	(175)
Interest paid	(4,264)	(6,151)
<b>NET CASH GENERATED FROM/(USED IN) OPERATIONS</b>	<u>5,828</u>	<u>(3,511)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	561	425
Placement of fixed deposits	(515)	(1,064)
Purchase of property, plant and equipment	-	(631)
<b>NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES</b>	<u>46</u>	<u>(1,270)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares from right issue	-	23,948
Net repayment of hire purchase obligations/lease liabilities	(1,241)	(1,981)
Repayment to holding company	-	(9,138)
Shares issuance expenses paid	-	(643)
<b>NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES</b>	<u>(1,241)</u>	<u>12,186</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	4,633	7,405
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>	2,546	(1,900)
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	<u>7,179</u>	<u>5,505</u>
<b>CASH AND CASH EQUIVALENTS COMPRISE:-</b>		
Fixed deposit with licensed banks	33,990	33,043
Cash and bank balances	9,110	13,644
Bank overdrafts	(2,363)	(8,139)
	40,737	38,548
Less: Fixed deposits pledged with licensed banks	(33,558)	(33,043)
	<u>7,179</u>	<u>5,505</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 2021 and the Explanatory Notes for the quarter ended 31 March 2022)



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**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2022**

**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:-

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>		<b>Effective Date</b>
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 nine (9) months ended 31 March 2022 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	18,552	14,379	5,424	-	38,355
Inter-segment revenue	3,975	57	198	(4,230)	-
<b>Total revenue</b>	<u>22,527</u>	<u>14,436</u>	<u>5,622</u>	<u>(4,230)</u>	<u>38,355</u>
<b>Segment profit/(loss)</b>	3,526	9,091	(217)	-	12,400
Depreciation of property, plant and equipment					(10,846)
Depreciation of right-of-use assets					(9,026)
Finance costs					(4,264)
Finance income					561
Loss before taxation					(11,175)
Taxation					(14)
<b>Loss for the period</b>					<u>(11,189)</u>

- (ii) 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>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 segment 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)	(7,468)	-	(2,046)
Depreciation of property, plant and equipment					(16,954)
Depreciation of right-of-use assets					(7,910)
Finance costs					(6,151)
Finance income					425
Loss before taxation					(32,636)
Taxation					-
<b>Loss for the period</b>					<u>(32,636)</u>

#### A10. Capital Commitment

Capital commitment for property and equipment not provided for as at 31 March 2022 were as follows:-

	As at 31/3/2022 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

On 8 February 2022, the National Recovery Committee agreed to recommend to the Government to fully reopen Malaysia's borders for all international visitors from 1 March 2022. Subsequently, the Government announced that Malaysia is reopening its borders to international visitors who are fully vaccinated against COVID-19 to enter Malaysia without quarantine effective from 1 April 2022, as Malaysia is transitioning to the endemic phase.

#### 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 RM61.9 million to licensed banks and financial institutions for credit facilities granted to certain subsidiaries. No provisions are recognised 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		9 Months Ended	
	31/3/2022	31/3/2021	31/3/2022	31/3/2021
	RM'000	RM'000	RM'000	RM'000
(i) Entities controlled by certain key management personnel:-				
Rental income	45	54	135	162
(ii) Directors:-				
Rental expense	-	(90)	(270)	(630)





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**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2022**

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

**B1. Performance Review**

- (i) Current Financial Quarter vs Preceding Financial Year Corresponding Quarter

	3 Months Ended		Changes	
	31/3/2022	31/3/2021	RM'000	%
Revenue	20,272	2,271	18,001	793%
EBITDA/(LBITDA)	7,827	(3,651)	11,478	314%
Profit/(Loss) before taxation	49	(14,077)	14,126	100%

The Group recorded revenue, EBITDA and profit before taxation of RM20.3 million, RM7.8 million and RM0.1 million respectively for the current financial quarter ended 31 March 2022. The revenue increased by RM18.0 million or approximately 793% as compared to the revenue of RM2.3 million recorded for the corresponding 3-months financial quarter ended 31 March 2021.

For the current financial quarter, the higher business volume as a result of the lifting of the movement control order restrictions and the gradual normalisation in the level of patrons to the Group's food service outlets and Other Services outlets, as well as footfalls to the Group's amusement and recreation parks had resulted in:

- The Food Service Operations segment recorded an increase in revenue of RM8.7 million to RM10.2 million in the current financial quarter when compared with the preceding financial year's corresponding quarter of RM1.5 million.
- The Amusement and Recreation Operations segment recorded revenue of RM6.6 million for the current financial quarter, which is RM5.9 million higher when compared with the preceding financial year's corresponding quarter of RM0.7 million.
- The Other Services segment recorded revenue of RM3.4 million for the current financial quarter, which is RM3.3 million higher when compared with the preceding financial year's corresponding quarter of RM0.1 million.

The increase in revenue arising from the higher business volume had contributed to a higher EBITDA and profit before taxation for the current financial quarter of RM7.8 million and RM0.1 million respectively, as compared to the preceding financial year corresponding quarter.

## B1. Performance Review (Cont'd)

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

	9 Months Ended		Changes	
	31/3/2022	31/3/2021	RM'000	%
Revenue	38,355	21,236	17,119	81%
EBITDA/(LBITDA)	12,400	(2,046)	14,446	706%
Loss before taxation	(11,175)	(32,636)	21,461	66%

The Group achieved revenue, EBITDA and loss before taxation of RM38.3 million, RM12.4 million and RM11.2 million respectively for the 9-months financial period ended ("**FPE**") 31 March 2022. The revenue of RM38.3 million represented an increase of RM17.1 million or approximately 81% as compared to the revenue of RM21.2 million recorded for the preceding financial year corresponding 9-months FPE 31 March 2021. The "Food Service Operations" and "Amusement and Recreation Operations" were the key contributors to the Group's revenue. Out of the Group's revenue of RM38.3 million, approximately 48% was from the segment of "Food Service Operations", approximately 37% was from the segment of "Amusement and Recreation Operations", and the remaining 14% was contributed by Other Services.

The Food Service Operations segment recorded increase in revenue of RM5.5 million to RM18.5 million in the current financial year 9-months FPE 31 March 2022 when compared with the preceding financial year corresponding 9-months FPE 31 March 2021 of RM13.0 million. This is due mainly to the higher business volume during the current financial year-to-date period, as a result of amongst others, the lifting of interstate and domestic travel restrictions on 11 October 2021, the allowance to dine-in and the gradual normalisation in the level of patrons to the Group's F&B outlet.

The Amusement and Recreation Operations segment recorded increase in revenue of RM8.1 million from RM6.3 million in the preceding financial year corresponding 9-months FPE 31 March 2021 when compared with the current financial year 9-months FPE 31 March 2022 of RM14.4 million. It was due to the increase in the number of footfalls to the Group's amusement and recreation parks after the interstate travel and domestic travel restrictions lifted on 11 October 2021.

The Other Services segment recorded a revenue of RM5.4 million in the current financial year 9-months FPE 31 March 2022 which is RM3.5 million higher compared to the preceding financial year corresponding 9-months FPE 31 March 2021 of RM1.9 million. It is due to higher volume of business, as a result of the lifting of interstate travel and domestic travel restrictions on 11 October 2021.

Loss before taxation for the current financial year 9-months FPE 31 March 2022 was RM11.2 million as compared to loss before taxation of RM32.6 million of the preceding financial year corresponding FPE 31 March 2021. The decrease in loss before taxation of RM21.5 million was mainly due to improvement in the revenue after the lifting of interstate travel and domestic travel restrictions and the effects of strict cost control measures imposed by the Group.

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

	3 Months Ended		Changes	
	31/3/2022	31/12/2021	RM'000	%
	RM'000	RM'000		
Revenue	20,272	17,064	3,208	19%
EBITDA	7,827	7,688	139	2%
Profit/(Loss) before taxation	49	(421)	470	112%

The Group recorded revenue, EBITDA and profit before taxation of RM20.3 million, RM7.8 million and RM0.1 million respectively for the current financial quarter ended 31 March 2022. The revenue increased by RM3.2 million or approximately 19% as compared to the revenue of RM17.1 million recorded for the immediate preceding financial quarter ended 31 December 2021. This was due mainly to an increase in the number of footfalls to the Group's outlets after the interstate travel and domestic travel restrictions lifted on 11 October 2021.

The increase in revenue which had contributed to a higher EBITDA and profit before taxation for the current financial quarter of RM7.8 million and RM0.1 million respectively as compared to EBITDA and loss before taxation of RM7.7 million and RM0.4 million respectively for the immediate preceding financial quarter ended 31 December 2021.

**B3. Coming Year Prospects**

On 11 October 2021, Malaysia lifted interstate travel and domestic travel restrictions for residents fully vaccinated against COVID-19. Demand-side is expected to gradually recover, as customers confidence level needs to be rebuilt.

On 8 March 2022, the Government announced that Malaysia is to reopen its border to international visitors who are fully vaccinated against COVID-19 to enter Malaysia without quarantine effective from 1 April 2022. As such, domestic travel and tourism is expected to gradually recover, which will spur the tourism, leisure and hospitality industry to recover from and gradually grow after the impact of the COVID-19 pandemic. Further, according to the Economic & Monetary Review 2021 by Bank Negara Malaysia, the re-opening of international borders will facilitate the recovery of tourism-related industries and alleviate pockets of foreign labour shortages. Our Group remains positive and poised to leverage on opportunities arising from the reopening of borders and our Group will also continue to re-strategise our business plan to adapt to the changing environment.

**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	
	31/3/2022	31/3/2021	31/3/2022	31/3/2021
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	4,471	5,547	10,846	16,954
Depreciation of right-of-use assets	2,438	2,678	9,026	7,910
Finance costs	1,100	2,201	4,264	6,151
Finance income	(231)	(151)	(561)	(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	
	31/3/2022	31/3/2021	31/3/2022	31/3/2021
	RM'000	RM'000	RM'000	RM'000
Current taxation				
Malaysian - current	8	-	14	-
	<u>8</u>	<u>-</u>	<u>14</u>	<u>-</u>

The Group's effective tax rate for the current financial period was lower 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**

There were no corporate proposals announced but not completed as at 16 May 2022.

**B8. Group Borrowings**

	As at	As at
	31/3/2022	30/6/2021
	RM'000	RM'000
Long-term borrowings		
Secured:		
Term loans	<u>71,054</u>	<u>71,054</u>
	<u>71,054</u>	<u>71,054</u>
Short-term borrowings		
Secured:		
Term loans	<u>3,685</u>	<u>3,622</u>
	<u>3,685</u>	<u>3,622</u>
Total borrowings	<u>74,739</u>	<u>74,676</u>

**B9. Changes in Material Litigation**

There is no material litigation involving the Group subsequent to 30 June 2021 and up to the date of this interim Financial 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	
	31/3/2022	31/3/2021	31/3/2022	31/3/2021
Profit/(Loss) attributable to Owners of the Company (RM'000)	42	(14,074)	(11,185)	(32,628)
Weighted average number of ordinary shares in issue ('000)	399,140	350,712	399,140	350,712
Basic earnings/(loss) per share (sen)	0.01	(4.01)	(2.80)	(9.30)

## (ii) Diluted earnings per share

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		9 Months Ended	
	31/3/2022	31/3/2021	31/3/2022	31/3/2021
Profit/(Loss) attributable to Owners of the Company (RM'000)	42	(14,074)	(11,185)	(32,628)
Weighted average number of ordinary shares in issue ('000)	399,140	350,712	399,140	350,712
Adjustment for potential conversion of warrants ('000)	2,141	1,833	11,282	1,833
	401,281	352,545	410,422	352,545
Diluted earnings/(loss) per share (sen)	0.01	(3.99)	(2.73)	(9.25)

**B12. Material uncertainty disclosed in the Independent Auditors' Report**

The auditors' report on the Group's financial statements for the financial year ended 30 June 2021 contained the following disclosure on material uncertainty related to going concern:

"We draw attention to Note 4.2 in the financial statements, which indicates that the Group incurred a loss after taxation of RM42,036,951 during the financial year ended 30 June 2021 and, as of that date, the Group recorded net cash operating outflows of RM2,445,075. The Malaysian economy, in particular the tourism industry, faces uncertainty over the expected timing of recovery of the COVID-19 pandemic. The travel and border restrictions implemented by the Malaysian Government has led to a significant fall in demand for tourism industry which impacted the Group's financial performance and cash flows. As stated in Note 4.2, these events or conditions, together with other matters as set forth in Note 4.2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

The recent development and implementation of the national vaccination programme against the COVID-19 pandemic in Malaysia, easing of Movement Control Order ("MCO") by allowing fully vaccinated population to travel interstate and the re-opening of theme parks and family attractions provide a positive outlook for the tourism industry in Malaysia. Further details are disclosed in Note 4.2 to the financial statements.

**B12. Material uncertainty disclosed in the Independent Auditors' Report (Cont'd)**

Our opinion is not modified in respect of this matter."

The key audit matters reported in the Independent Auditor's Report are as follows:

<b>(a) Impairment Assessment of Property and Equipment and Right-of-use Assets</b>	
<b>Key Audit Matter</b>	<b>How our audit addressed the Key Audit Matter</b>
<p>As at 30 June 2021, the Group has property and equipment and right-of-use assets amounting to RM143.9 million and RM177.8 million respectively which accounted for approximately 82.1% of the Group's total assets.</p> <p>All subsidiaries of the Group with material property and equipment and right-of-use assets balances have recorded losses. As such, this is an indication that these assets may be subject to impairment.</p> <p>Given the nature of these property and equipment and right-of-use assets, the assessment of impairment involves the application of significant judgement. Accordingly, we consider this to be a key audit matter.</p> <p>Please refer to the disclosures in the following Notes to the financial statements:-</p> <ul style="list-style-type: none"> <li>· Note 5.1(b) - critical accounting estimates and judgements;</li> <li>· Notes 5.7 and 5.9 - accounting policies;</li> <li>· Note 7 - property and equipment; and</li> <li>· Note 9 - right-of-use assets.</li> </ul>	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> <li>• Reviewed the management's estimate on the financial forecast, to derive at the value in use of these assets;</li> <li>• Amongst the procedures on reviewing the financial forecasts are as follows:-               <ul style="list-style-type: none"> <li>(a) held discussions with the management to understand the basis of the assumptions used in forming the estimates underpinning the assessment of the recoverable amount of these assets;</li> <li>(b) reviewed and challenged the key business drivers underpinning the forecasts prepared;</li> <li>(c) evaluated the appropriateness and reasonableness of the key assumptions by comparing trend analysis, historical results and our understanding of the business;</li> <li>(d) performed sensitivity analysis over the key assumptions to understand the impact of changes over the forecasts;</li> <li>(e) challenged the appropriateness of the discount rate used in deriving at the net present value; and</li> <li>(f) assessed the arithmetical accuracy of the computations used in assessing the recoverable amount of the CGUs.</li> </ul> </li> <li>• Reviewed the adequacy of the Group's disclosures.</li> </ul>

**B12. Material uncertainty disclosed in the Independent Auditors' Report (cont'd)**

The key audit matters reported in the Independent Auditor's Report are as follows: (cont'd)

<b>(b) Recognition of Deferred Tax Assets</b>	
<b>Key Audit Matter</b>	<b>How our audit addressed the Key Audit Matter</b>
<p>As at 30 June 2021, the Group recognised deferred tax assets amounting to RM12.9 million in relation to unutilised investment tax allowances, unabsorbed capital allowances, unused tax losses and other deductible temporary differences to the extent that it is probable that future taxable profits will be available against which these deductible temporary differences can be utilised.</p> <p>The assessment of future taxable profits is a complex process and requires significant management's judgement, in particular the expected future economic condition of the industry which impact the revenue growth rates and operating costs of the entities being assessed.</p> <p>In view of the significance of the amount and the significant judgement involved, we consider this to be a key audit matter.</p> <p>Please refer to the disclosures in the following Notes to the financial statements:-</p> <ul style="list-style-type: none"> <li>· Note 5.1(f) - critical accounting estimates and judgements;</li> <li>· Note 5.16(b) - accounting policies; and</li> <li>· Note 11 - deferred tax assets.</li> </ul>	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> <li>• Reviewed the management's estimate on the future taxable profits prepared based on the financial forecast to derive at the future taxable profits for the next 3 financial years;</li> <li>• We have reviewed the following to derive of the future taxable profits:-                             <ul style="list-style-type: none"> <li>(a) capital allowances on qualifying assets;</li> <li>(b) non-deductible expenses and non-taxable income; and</li> <li>(c) corporate tax rate used.</li> </ul> </li> <li>• Reviewed the adequacy of the Group's disclosures.</li> </ul>

In response to the material uncertainty related to going concern, the Group has taken the following actions:

- (a) Certain subsidiaries of the Company have been granted loan moratorium by licensed banks to defer of their term loans' principal repayments. The details of the various deferrals are disclosed in Note 43(c), (d), (e), (f) and (g) to the financial statements. These subsidiaries have not defaulted in the repayment of instalments.
- (b) During the financial year ended 30 June 2021, the Group has undertaken a fund raising exercise and raise proceeds of approximately RM23.9 million to be utilised for working capital purposes arising from the issuance of Rights Shares pursuant to the Rights Issue with Warrant exercise. The details of the fund raising exercise are disclosed in Notes 18(b) and 43(b) to the financial statements.
- (c) The Group has significantly reduced and deferred all capital expenditure during the financial year ended 30 June 2021. The Group intends to continue with this practise, at least, in the subsequent financial year.
- (d) The management has continued to exercise cost control measures in order to reduce operating expenses and to preserve cash balances.
- (e) The Group has obtained a letter of financial support from its holding company where the holding company has indicated its willingness to provide financial support to the Group through the exercise of Warrants B which will provide proceeds of RM10.77 million, as and when requested by the management. The financial support will not be withdrawn, at least 12 months from the date of this reporting.

The management has also considered the reported high vaccination rate in Malaysia which has led the Malaysia Government to ease the MCO by allowing fully vaccinated population to travel interstate and gradually reopen the Malaysian economy. On 1 October 2021, the Malaysian Government further announced that theme parks and family attractions can re-open. Hence, the Group has resumed most of its operations in October 2021.

**B12. Material uncertainty disclosed in the Independent Auditors' Report (cont'd)**

The Board of Directors is satisfied that the actions taken by management are appropriate to enable the Group to meet its obligations as and when they fall due in the foreseeable future. Accordingly, the Board of Directors is of the opinion that the going concern basis used in the preparation of the Group's financial statements are appropriate.

**B13. Derivative financial instruments**

The Group does not have any derivative financial instruments as at the end of the quarter.

**B14. Gain/losses arising from fair value changes of financial liabilities**

There were no material gains or losses arising from fair value changes of financial liabilities during the current financial quarter and the financial year to date under review.

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