



ONLY WORLD GROUP HOLDINGS BERHAD

Registration No: 201201041977 (1033338-K)

INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2022

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		
	3 Months Ended		12 Months Ended		
	Note	30/6/2022 (Unaudited) RM'000	30/6/2021 (Audited) RM'000	30/6/2022 (Unaudited) RM'000	30/6/2021 (Audited) RM'000
Revenue		25,068	3,883	63,423	25,189
Cost of sales		(18,933)	(6,250)	(57,908)	(46,646)
Gross profit/(loss)		6,135	(2,367)	5,515	(21,457)
Other income		4,473	8,673	6,288	10,857
		10,608	6,306	11,803	(10,600)
Selling and distribution expenses		(162)	(80)	(550)	(237)
Administrative expenses		(5,580)	(3,774)	(12,175)	(11,631)
Other expenses		(3,642)	(10,570)	(4,765)	(12,038)
Profit/(Loss) from operations		1,224	(8,118)	(5,687)	(34,506)
Finance costs		(4,725)	(2,846)	(8,989)	(8,997)
Loss before taxation	B5	(3,501)	(10,964)	(14,676)	(43,503)
Taxation	B6	(1,436)	1,466	(1,450)	1,466
Loss after taxation		(4,937)	(9,498)	(16,126)	(42,037)
Other comprehensive income		-	-	-	-
Total comprehensive expenses for the financial period		(4,937)	(9,498)	(16,126)	(42,037)
Loss after taxation attributable to:-					
- Owners of the Company		(4,936)	(9,489)	(16,121)	(42,020)
- Non-Controlling interests		(1)	(9)	(5)	(17)
		(4,937)	(9,498)	(16,126)	(42,037)
Total comprehensive expenses attributable to:-					
- Owners of the Company		(4,936)	(9,489)	(16,121)	(42,020)
- Non-Controlling interests		(1)	(9)	(5)	(17)
		(4,937)	(9,498)	(16,126)	(42,037)
Loss per share (sen) attributable to Owners of the Company					
- Basic	B11	(1.15)	(2.71)	(3.74)	(11.98)
- Diluted		(1.15)	(2.69)	(3.74)	(11.84)

(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 June 2022)



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INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30/6/2022 (Unaudited) RM'000	As at 30/6/2021 (Audited) RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	124,173	143,903
Right-of-use assets	169,913	177,768
Intangible assets	27	219
Deferred tax assets	12,897	12,897
	307,010	334,787
CURRENT ASSETS		
Inventories	2,778	1,886
Trade receivables	1,590	2,281
Other receivables, deposits and prepayments	8,002	8,368
Current tax assets	2,149	2,653
Short-term investments	20,057	6,663
Fixed deposits with licensed banks	34,138	33,476
Cash and bank balances	9,655	1,687
	78,369	57,014
TOTAL ASSETS	385,379	391,801
EQUITY AND LIABILITIES		
EQUITY		
Share capital	211,857	201,080
Reserves	(14,252)	1,869
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	197,605	202,949
Non-controlling interests	1,320	1,325
TOTAL EQUITY	198,925	204,274
NON-CURRENT LIABILITIES		
Trade payables	3,564	-
Leases liabilities	66,707	66,477
Long-term borrowings	61,904	71,054
Deferred tax liabilities	828	829
Deferred income	826	861
	133,829	139,221
CURRENT LIABILITIES		
Trade payables	4,369	4,025
Other payables, deposits received and accruals	24,619	22,851
Leases liabilities	10,406	11,521
Short-term borrowings	12,894	3,622
Bank overdrafts	224	6,237
Current tax liabilities	77	50
Deferred income	36	-
	52,625	48,306
TOTAL LIABILITIES	186,454	187,527
TOTAL EQUITY AND LIABILITIES	385,379	391,801
Net assets per share attributable to Owners of the Company (RM)	0.46	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 June 2022)



ONLY WORLD GROUP HOLDINGS BERHAD

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INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	← Warrant Reserve	Non-Distributable Merger Deficit	Revaluation Reserve	→ Capital Reserve	Distributable Retained Profits	Attributable To Owners of The Group	Non- controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>12 Months Ended 30 June 2022</u>									
At 1 July 2021	201,080	20,034	(56,777)	18,096	1,200	19,316	202,949	1,325	204,274
Loss after taxation for the financial period	-	-	-	-	-	(16,121)	(16,121)	(5)	(16,126)
Contribution by and distribution to owners of the Company:									
- exercise of warrants	10,777	-	-	-	-	-	10,777	-	10,777
At 30 June 2022 (Unaudited)	211,857	20,034	(56,777)	18,096	1,200	3,195	197,605	1,320	198,925
<u>12 Months Ended 30 June 2021</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	-	-	-	-	-	(42,020)	(42,020)	(17)	(42,037)
Contribution by and distribution to owners of the Company:									
- issue right shares issued	23,948	-	-	-	-	-	23,948	-	23,948
- issuance of warrants	(20,584)	20,584	-	-	-	-	-	-	-
- right issued shares issuance expenses	(93)	-	-	-	-	-	(93)	-	(93)
- issuance of warrants expenses	-	(550)	-	-	-	-	(550)	-	(550)
	3,271	20,034	-	-	-	-	23,305	-	23,305
At 30 June 2021 (Audited)	201,080	20,034	(56,777)	18,096	1,200	19,316	202,949	1,325	204,274

(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 June 2022)



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

**INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2022**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 Months Ended	
	30/6/2022 RM'000	30/6/2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(14,676)	(43,503)
Adjustments for:-		
Allowances for impairment loss on:		
- intangible assets	196	98
- property, plant and equipment	1,682	5,369
- trade and other receivables	353	1,079
- right-of-use assets	1,095	1,525
Depreciation of property, plant and equipment	17,977	20,529
Depreciation of right-of-use assets	10,857	10,737
Interest expense on lease liabilities	5,005	5,732
Interest expense on lease financial liabilities that are not fair value through profit or loss:		
- term loans	3,813	2,944
- overdrafts	171	321
Written off:		
- property, plant and equipment	-	197
- inventories	-	39
- trade and other receivables	-	1,686
COVID-19-rent concessions	(3,718)	(5,474)
Gain on disposal of property and equipment	-	(35)
Gain on lease modification	(10)	(580)
Interest income	(868)	(876)
Operating profit/(loss) before working capital changes	21,877	(212)
(Increase)/Decrease in inventories	(892)	262
Decrease in trade and other receivables	1,054	2,236
Increase/(Decrease) in trade and other payables	1,305	(5,019)
Cash generated from/(used in) operations	23,344	(2,733)
Tax refunded	-	288
Interest paid	(3,983)	(3,874)
Interest received	868	876
NET CASH GENERATED FROM/(USED IN) OPERATIONS	20,229	(5,443)
CASH FLOWS FROM INVESTING ACTIVITIES		
Placement of fixed deposits	-	(1,457)
Proceeds from disposal of property, plant and equipment	-	35
Purchase of intangible assets	-	(5)
Purchase of property, plant and equipment	(1,468)	(47)
NET CASH USED IN INVESTING ACTIVITIES	(1,468)	(1,474)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of new ordinary shares	10,777	14,811
Net repayment of hire purchase obligations/lease liabilities	(2,163)	(3,199)
Shares issuance expenses paid	-	(643)
NET CASH GENERATED FROM FINANCING ACTIVITIES	8,614	10,969
NET INCREASE IN CASH AND CASH EQUIVALENTS	27,375	4,052
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	2,546	(1,506)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	29,921	2,546
CASH AND CASH EQUIVALENTS COMPRISE:-		
Fixed deposit with licensed banks	34,138	33,476
Cash and bank balances	29,712	8,350
Bank overdrafts	(224)	(6,237)
	63,626	35,589
Less: Fixed deposits pledged with licensed banks	(33,705)	(33,043)
	29,921	2,546

(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 June 2022)



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INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 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):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2

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 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
Amendment to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendment 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, save for the issuance of 31,696,541 new ordinary shares pursuant to the exercise of warrants 2020/2025.

A8. Dividend Paid

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

A9. Segmental Information

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

- (i) The segmental result for the twelve (12) months ended 30 June 2022 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	33,123	23,172	7,128	-	63,423
Inter-segment revenue	7,282	-	378	(7,660)	-
Total revenue	<u>40,405</u>	<u>23,172</u>	<u>7,506</u>	<u>(7,660)</u>	<u>63,423</u>
Segment profit	9,529	11,930	820	-	22,279
Depreciation of property, plant and equipment					(17,977)
Depreciation of right-of-use assets					(10,857)
Finance costs					(8,989)
Finance income					868
Loss before taxation					(14,676)
Taxation					(1,450)
Loss for the period					<u>(16,126)</u>

- (ii) The segmental result for the twelve (12) months ended 30 June 2021 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	14,031	7,845	3,313	-	25,189
Inter segment revenue	3,534	-	90	(3,624)	-
Total segment revenue	<u>17,565</u>	<u>7,845</u>	<u>3,403</u>	<u>(3,624)</u>	<u>25,189</u>
Segment profit/(loss)	3,515	1,049	(8,680)	-	(4,116)
Depreciation of property, plant and equipment					(20,529)
Depreciation of right-of-use assets					(10,737)
Finance costs					(8,997)
Finance income					876
Loss before taxation					(43,503)
Taxation					1,466
Loss for the period					<u>(42,037)</u>

A10. Capital Commitment

Capital commitment for property and equipment not provided for as at 30 June 2022 were as follows:-

	As at 30/6/2022 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

There were no material event during and subsequent to the end of the financial period.

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 RM63.4 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		12 Months Ended	
	30/6/2022	30/6/2021	30/6/2022	30/6/2021
	RM'000	RM'000	RM'000	RM'000
(i) Entities controlled by certain key management personnel:- Rental income	45	48	180	211
(ii) Directors:- Rental expense	<u>(270)</u>	<u>-</u>	<u>(540)</u>	<u>(630)</u>



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INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 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	
	30/6/2022	30/6/2021	RM'000	%
Revenue	25,068	3,883	21,185	546%
EBITDA	9,879	5,907	3,972	67%
Loss before taxation	(3,501)	(10,964)	7,463	68%

The Group recorded revenue, EBITDA and loss before taxation of RM25.1 million, RM9.9 million and RM3.5 million respectively for the current financial quarter ended 30 June 2022. The revenue increased by RM21.2 million or approximately 546% as compared to the revenue of RM3.9 million recorded for the corresponding 3-months financial quarter ended 30 June 2021.

For the current financial quarter, the higher business volume as a result of higher number of public holidays for the period, including the celebration of Hari Raya Aidilfitri and 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 RM12.4 million to RM13.7 million in the current financial quarter when compared with the preceding financial year's corresponding quarter of RM1.3 million.
- The Amusement and Recreation Operations segment recorded revenue of RM9.6 million for the current financial quarter, which is RM8.1 million higher when compared with the preceding financial year's corresponding quarter of RM1.5 million.
- The Other Services segment recorded revenue of RM1.8 million for the current financial quarter, which is RM0.7 million higher when compared with the preceding financial year's corresponding quarter of RM1.1 million.

The improvement of EBITDA and loss before taxation when compared to the preceding financial year's corresponding quarter by RM4.0 million and RM7.5 million respectively, mainly contributed by the normalisation in the level of patrons and improvement in business volume.

B1. Performance Review (Cont'd)

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

	12 Months Ended		Changes	
	30/6/2022	30/6/2021	RM'000	%
Revenue	63,423	25,189	38,234	152%
EBITDA/(LBITDA)	22,279	(4,116)	26,395	641%
Loss before taxation	(14,676)	(43,503)	28,827	66%

The Group achieved revenue, EBITDA and loss before taxation of RM63.4 million, RM22.3 million and RM14.7 million respectively for the 12-months financial year ended ("FYE") 30 June 2022. The revenue of RM63.4 million represented an increase of RM38.2 million or approximately 152% as compared to the revenue of RM25.2 million recorded for the preceding financial year corresponding 12-months FYE 30 June 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 RM63.4 million, approximately 52% was from the segment of "Food Service Operations", approximately 37% was from the segment of "Amusement and Recreation Operations", and the remaining 11% was contributed by Other Services.

The Food Service Operations segment recorded increase in revenue of RM19.1 million to RM33.1 million in the current financial year 12-months FYE 30 June 2022 when compared with the preceding financial year corresponding 12-months FYE 30 June 2021 of RM14.0 million, mainly due to higher business volume as a result of amongst others, the lifting of interstate and domestic travel restrictions on 11 October 2021 and normalisation in the level of patrons to the Group's F&B outlets.

The Amusement and Recreation Operations segment recorded increase in revenue of RM15.4 million from RM7.8 million in the preceding financial year corresponding 12-months FYE 30 June 2021 when compared with the current financial year 12-months FYE 30 June 2022 of RM23.2 million. It was due to higher number of footfalls to the Group's amusement and recreation parks as a result of interstate travel and domestic travel restrictions lifted on 11 October 2021, as well as active participation in promotional events.

The Other Services segment recorded a revenue of RM7.1 million in the current financial year 12-months FYE 30 June 2022 which is RM3.8 million higher compared to the preceding financial year corresponding 12-months FYE 30 June 2021 of RM3.3 million. It is due to increase in business volume, as a result of the normalisation in the level of patrons to the Group, as well 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 12-months FYE 30 June 2022 was RM14.7 million as compared to loss before taxation of RM43.5 million of the preceding financial year corresponding 12-months FYE 30 June 2021. The decrease in loss before taxation of RM28.8 million was mainly due to improvement in revenue after the lifting of interstate travel and domestic travel restrictions, gradual normalisation in the level of business activities and increasing consumer confidence. However, the decrease in loss before taxation were mitigated as there were an impairment loss on property and equipment, right-of use asset, trade receivables and goodwill amounting to RM3.3 million.

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

	3 Months Ended		Changes	
	30/6/2022	31/3/2022	RM'000	%
Revenue	25,068	20,272	4,796	24%
EBITDA	9,879	7,827	2,052	26%
(Loss)/Profit before taxation	(3,501)	49	(3,550)	-7245%

The Group recorded revenue, EBITDA and loss before taxation of RM25.1 million, RM9.9 million and RM3.5 million respectively for the current financial quarter ended 30 June 2022. The revenue increased by RM4.8 million or approximately 24% as compared to the revenue of RM20.3 million recorded for the immediate preceding financial quarter ended 31 March 2022. The increase in revenue was due mainly to the Group actively participated in promotional events and higher number of public holidays and long weekend holiday celebration, which contributed to an increase in the number of patrons and footfalls to the Group's outlets.

The improvement of EBITDA when compared to the immediate preceding financial quarter was mainly contributed by waiver of rental amounting to approximately RM3.7 million, received from landlord during the current financial quarter. In contrast, the increase in loss before taxation amounting to RM3.6 million was due mainly to provision of taxation and finance cost in current financial quarter.

B3. Coming Year Prospects

According to the Quarterly Bulletin 2Q 2022 by Bank Negara Malaysia, going forward, Malaysia's growth would continue to benefit from the recovery in tourism-related sectors, following the reopening of international borders.

Our Group has seen gradual normalisation in business volume and recovery in confidence since Malaysia has transitioned into the endemic phase of COVID-19. 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		12 Months Ended	
	30/6/2022	30/6/2021	30/6/2022	30/6/2021
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	7,131	9,122	17,977	20,529
Depreciation of right-of-use assets	1,831	5,505	10,857	10,737
Finance costs	4,725	2,846	8,989	8,997
Finance income	(307)	(602)	(868)	(876)

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

B6. Taxation

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	30/6/2022	30/6/2021	30/6/2022	30/6/2021
	RM'000	RM'000	RM'000	RM'000
Current taxation				
Malaysian - current	1,436	(1,466)	1,450	(1,466)
	<u>1,436</u>	<u>(1,466)</u>	<u>1,450</u>	<u>(1,466)</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 23 August 2022.

B8. Group Borrowings

	As at	As at
	30/6/2022	30/6/2021
	RM'000	RM'000
Long-term borrowings		
Secured:		
Term loans	61,904	71,054
	<u>61,904</u>	<u>71,054</u>
Short-term borrowings		
Secured:		
Term loans	12,894	3,622
	<u>12,894</u>	<u>3,622</u>
Total borrowings	<u>74,798</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		12 Months Ended	
	30/6/2022	30/6/2021	30/6/2022	30/6/2021
Loss attributable to Owners of the Company (RM'000)	(4,936)	(9,489)	(16,121)	(42,020)
Weighted average number of ordinary shares in issue ('000)	430,837	350,712	430,837	350,712
Basic loss per share (sen)	<u>(1.15)</u>	<u>(2.71)</u>	<u>(3.74)</u>	<u>(11.98)</u>

(ii) Diluted earnings per share

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	30/6/2022	30/6/2021	30/6/2022	30/6/2021
Loss attributable to Owners of the Company (RM'000)	(4,936)	(9,489)	(16,121)	(42,020)
Weighted average number of ordinary shares in issue ('000)	430,837	350,712	430,837	350,712
Adjustment for potential conversion of warrants ('000)	239	2,225	19,865	4,058
	<u>431,077</u>	<u>352,937</u>	<u>450,702</u>	<u>354,770</u>
Diluted loss per share (sen)	<u>(1.15)</u>	<u>(2.69)</u>	<u>(3.58)</u>	<u>(11.84)</u>

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:

(a) Impairment Assessment of Property and Equipment and Right-of-use Assets	
Key Audit Matter	How our audit addressed the Key Audit Matter
<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"> · Note 5.1(b) - critical accounting estimates and judgements; · Notes 5.7 and 5.9 - accounting policies; · Note 7 - property and equipment; and · Note 9 - right-of-use assets. 	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> • Reviewed the management's estimate on the financial forecast, to derive at the value in use of these assets; • Amongst the procedures on reviewing the financial forecasts are as follows:- <ul style="list-style-type: none"> (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; (b) reviewed and challenged the key business drivers underpinning the forecasts prepared; (c) evaluated the appropriateness and reasonableness of the key assumptions by comparing trend analysis, historical results and our understanding of the business; (d) performed sensitivity analysis over the key assumptions to understand the impact of changes over the forecasts; (e) challenged the appropriateness of the discount rate used in deriving at the net present value; and (f) assessed the arithmetical accuracy of the computations used in assessing the recoverable amount of the CGUs. • Reviewed the adequacy of the Group's disclosures.

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) Recognition of Deferred Tax Assets	
Key Audit Matter	How our audit addressed the Key Audit Matter
<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"> · Note 5.1(f) - critical accounting estimates and judgements; · Note 5.16(b) - accounting policies; and · Note 11 - deferred tax assets. 	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> • 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; • We have reviewed the following to derive of the future taxable profits:- <ul style="list-style-type: none"> (a) capital allowances on qualifying assets; (b) non-deductible expenses and non-taxable income; and (c) corporate tax rate used. • Reviewed the adequacy of the Group's disclosures.

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 holding company had exercised the aforementioned Warrants B and the shares allotted on 20 June 2022.

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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