



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

**INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2022**

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 Months Ended		6 Months Ended	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
<i>Note</i>	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	RM'000	RM'000	RM'000	RM'000
Revenue	36,673	17,064	67,205	18,083
Cost of sales	<u>(24,888)</u>	<u>(14,137)</u>	<u>(47,127)</u>	<u>(22,339)</u>
Gross profit/(loss)	11,785	2,927	20,078	(4,256)
Other income	614	679	1,144	1,095
	<u>12,399</u>	<u>3,606</u>	<u>21,222</u>	<u>(3,161)</u>
Selling and distribution expenses	(358)	(76)	(563)	(129)
Administrative expenses	(4,375)	(2,398)	(8,553)	(4,029)
Other expenses	(1,315)	(389)	(1,618)	(741)
Profit/(Loss) from operations	6,351	743	10,488	(8,060)
Finance costs	(3,438)	(1,164)	(6,026)	(3,164)
Profit/(Loss) before taxation	2,913	(421)	4,462	(11,224)
Taxation	(1,170)	1	(1,944)	(6)
Profit/(Loss) after taxation	1,743	(420)	2,518	(11,230)
Other comprehensive income	-	-	-	-
Total comprehensive income/(expenses) for the financial period	<u>1,743</u>	<u>(420)</u>	<u>2,518</u>	<u>(11,230)</u>
Profit/(Loss) after taxation attributable to:-				
- Owners of the Company	1,744	(418)	2,521	(11,227)
- Non-Controlling interests	(1)	(2)	(3)	(3)
	<u>1,743</u>	<u>(420)</u>	<u>2,518</u>	<u>(11,230)</u>
Total comprehensive income/(expenses) attributable to:-				
- Owners of the Company	1,744	(418)	2,521	(11,227)
- Non-Controlling interests	(1)	(2)	(3)	(3)
	<u>1,743</u>	<u>(420)</u>	<u>2,518</u>	<u>(11,230)</u>
Profit/(Loss) per share (sen) attributable to Owners of the Company				
- Basic	0.40	(0.10)	0.59	(2.81)
- Diluted	0.40	(0.10)	0.58	(2.75)

(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 2022 and the Explanatory Notes for the quarter ended 31 December 2022)



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**INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2022**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31/12/2022 (Unaudited) RM'000	As at 30/6/2022 (Audited) RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	116,503	128,242
Right-of-use assets	155,539	164,623
Intangible assets	27	27
Deferred tax assets	12,897	12,897
	284,966	305,789
CURRENT ASSETS		
Inventories	2,976	2,778
Trade receivables	1,403	1,365
Other receivables, deposits and prepayments	8,423	8,692
Current tax assets	1,823	2,062
Short-term investments	32,916	22,125
Fixed deposits with licensed banks	34,467	34,138
Cash and bank balances	7,983	8,250
	89,991	79,410
TOTAL ASSETS	374,957	385,199
EQUITY AND LIABILITIES		
EQUITY		
Share capital	222,993	222,993
Reserves	(22,172)	(24,694)
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	200,821	198,299
Non-controlling interests	1,317	1,321
TOTAL EQUITY	202,138	199,620
NON-CURRENT LIABILITIES		
Other payables	3,018	3,564
Leases liabilities	63,921	65,817
Long-term borrowings	57,211	62,931
Deferred tax liabilities	478	478
Deferred income	543	826
	125,171	133,616
CURRENT LIABILITIES		
Trade payables	3,712	3,873
Other payables, deposits received and accruals	16,451	22,678
Leases liabilities	8,835	8,836
Short-term borrowings	14,472	14,478
Bank overdrafts	-	318
Current tax liabilities	957	305
Deferred income	3,221	1,475
	47,648	51,963
TOTAL LIABILITIES	172,819	185,579
TOTAL EQUITY AND LIABILITIES	374,957	385,199
Net assets per share attributable to Owners of the Company (RM)	0.47	0.46

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2022 and the Explanatory Notes for the quarter ended 31 December 2022)



ONLY WORLD GROUP HOLDINGS BERHAD

Registration No: 201201041977 (1033338-K)

**INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 31 DECEMBER 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
<u>6 Months Ended 31 December 2022</u>									
At 1 July 2022	222,993	8,898	(56,777)	18,096	1,200	3,890	198,300	1,320	199,620
Profit after taxation for the financial period	-	-	-	-	-	2,521	2,521	(3)	2,518
At 31 December 2022 (Unaudited)	222,993	8,898	(56,777)	18,096	1,200	6,411	200,821	1,317	202,138
<u>6 Months Ended 31 December 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	-	-	-	-	-	(11,227)	(11,227)	(3)	(11,230)
At 31 December 2021 (Unaudited)	201,080	20,033	(56,777)	18,096	1,200	8,089	191,721	1,323	193,044

(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 2022 and the Explanatory Notes for the quarter ended 31 December 2022)



ONLY WORLD GROUP HOLDINGS BERHAD
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**INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2022**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 Months Ended	
	31/12/2022 RM'000	31/12/2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	4,462	(11,224)
Adjustments for:-		
Allowance for impairment loss on:		
- property, plant and equipment	1,000	-
Depreciation of property, plant and equipment	10,602	11,547
Depreciation of right-of-use assets	2,826	2,588
Interest expense on lease liabilities	3,585	1,064
Interest expense on lease financial liabilities that are not fair value through profit or loss:		
- term loans	2,436	1,956
- overdrafts	5	144
Interest income	(642)	(330)
Operating profit before working capital changes	24,274	5,745
Increase in inventories	(199)	(600)
Decrease/(Increase) in trade and other receivables	230	(2,322)
Decrease in trade and other payables	(62)	(848)
Cash generated from operations	24,243	1,975
Tax paid	(65)	(71)
Interest paid	(6,026)	(3,164)
Interest received	642	330
NET CASH GENERATED FROM/(USED IN) OPERATIONS	18,794	(930)
CASH FLOWS FROM INVESTING ACTIVITIES		
Placement of fixed deposits	(330)	(299)
NET CASH USED IN INVESTING ACTIVITIES	(330)	(299)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment of hire purchase obligations/lease liabilities	(1,897)	(1,096)
Net repayment of term loan	(5,725)	-
NET CASH USED IN FINANCING ACTIVITIES	(7,622)	(1,096)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	10,842	(2,325)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	30,479	2,546
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	41,321	221
CASH AND CASH EQUIVALENTS COMPRISE:-		
Fixed deposit with licensed banks	34,467	33,775
Cash and bank balances	40,899	3,959
Bank overdrafts	-	(4,172)
	75,366	33,562
Less: Fixed deposits pledged with licensed banks	(34,045)	(33,341)
	41,321	221

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2022 and the Explanatory Notes for the quarter ended 31 December 2022)



ONLY WORLD GROUP HOLDINGS BERHAD

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INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 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 2022 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 2022 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 2022.

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 six (6) months ended 31 December 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	33,467	24,507	9,231	-	67,205
Inter-segment revenue	7,766	100	136	(8,002)	-
Total revenue	<u>41,233</u>	<u>24,607</u>	<u>9,367</u>	<u>(8,002)</u>	<u>67,205</u>
Segment profit	7,422	14,568	1,284	-	23,274
Depreciation of property, plant and equipment					(10,602)
Depreciation of right-of-use assets					(2,826)
Finance costs					(6,026)
Finance income					642
Profit before taxation					<u>4,462</u>
Taxation					<u>(1,944)</u>
Profit for the period					<u>2,518</u>

- (ii) The segmental result for the six (6) months ended 31 December 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	8,307	7,783	1,993	-	18,083
Inter segment revenue	1,139	32	126	(1,297)	-
Total segment revenue	<u>9,446</u>	<u>7,815</u>	<u>2,119</u>	<u>(1,297)</u>	<u>18,083</u>
Segment profit/(loss)	1,527	5,333	(1,115)	-	5,745
Depreciation of property, plant and equipment					(11,547)
Depreciation of right-of-use assets					(2,588)
Finance costs					(3,164)
Finance income					330
Loss before taxation					<u>(11,224)</u>
Taxation					<u>(6)</u>
Loss for the period					<u>(11,230)</u>

A10. Capital Commitment

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

	As at 31/12/2022 RM'000
Approved and not contracted for:- Refurbishment works and renovation of family attractions & food service outlets.	<u>366</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 RM62.4 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		6 Months Ended	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	RM'000	RM'000	RM'000	RM'000
(i) Entities controlled by certain key management personnel:- Rental income	45	45	90	90
(ii) Directors:- Rental expense	<u>(270)</u>	<u>-</u>	<u>(540)</u>	<u>-</u>



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INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 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	
	31/12/2022	31/12/2021	RM'000	%
Revenue	36,673	17,064	19,609	115%
EBITDA	12,790	7,688	5,102	66%
Profit/(Loss) before taxation	2,913	(421)	3,334	792%

The Group recorded revenue, EBITDA and profit before taxation of RM36.7 million, RM12.8 million and RM2.9 million respectively for the current financial quarter ended 31 December 2022. The revenue increased by RM19.6 million compared to the revenue of RM17.1 million recorded for the corresponding 3-months financial quarter ended 31 December 2021. The Food Service Operations segment and Amusement and Recreation Operations segment are the key contributors to the Group's revenue. Out of the Group's total revenue of RM36.7 million, approximately 50% was contributed from the Food Service Operations segment and approximately 36% was from the Amusement and Recreation Operations segment.

For the current financial quarter, the Group had higher business volume as compared to the preceding financial year corresponding quarter. This was contributed by the steady recovery of the customers' confidence level and consumer behaviour which lead to a higher level of patrons and footfalls to the Group's food service outlets, Other Services outlets, as well as the Group's amusement and recreation parks. This had resulted in:

- a) The Food Service Operations segment recorded an increase in revenue of RM10.6 million to RM18.3 million in the current financial quarter when compared with the preceding financial year's corresponding quarter of RM7.7 million.
- b) The Amusement and Recreation Operations segment recorded revenue of RM13.2 million for the current financial quarter, which is RM5.5 million higher when compared with the preceding financial year's corresponding quarter of RM7.7 million.
- c) The Other Services segment recorded revenue of RM5.2 million for the current financial quarter, which is RM3.6 million higher when compared with the preceding financial year's corresponding quarter of RM1.6 million.

The improvement in revenue had contributed to a higher EBITDA and profit before taxation for the current financial quarter of RM12.8 million and RM2.9 million respectively, as compared to the preceding financial year corresponding quarter which recorded EBITDA of RM7.7 million and loss before taxation of RM0.4 million.

B1. Performance Review (Cont'd)

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

	6 Months Ended		Changes	
	31/12/2022	31/12/2021	RM'000	%
Revenue	67,205	18,083	49,122	272%
EBITDA	23,274	5,745	17,529	305%
Profit/(Loss) before taxation	4,462	(11,224)	15,686	140%

The Group achieved revenue, EBITDA and profit before taxation of RM67.2 million, RM23.3 million and RM4.5 million respectively for the 6-months financial period ended ("FPE") 31 December 2022. The revenue of RM67.2 million represented an increase of RM49.1 million or approximately 272% as compared to the revenue of RM18.1 million recorded for the preceding financial year corresponding 6-months FPE 31 December 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 RM67.2 million, approximately 50% was from the segment of "Food Service Operations", approximately 36% 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 RM25.2 million to RM33.4 million in the current financial year 6-months FPE 31 December 2022 when compared with the preceding financial year corresponding 6-months FPE 31 December 2021 of RM8.2 million, mainly due to the closure of the Group's outlets and lower business volume as a result of the total lockdown implemented by the Government to curb the spike of COVID-19 pandemic which was effective from 1 June 2021 until 10 October 2021.

The Amusement and Recreation Operations segment recorded increase in revenue of RM16.7 million from RM7.8 million in the preceding financial year corresponding 6-months FPE 31 December 2021 when compared with the current financial year 6-months FPE 31 December 2022 of RM24.5 million. It was due to the increase in the 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.

The Other Services segment recorded a revenue of RM9.3 million in the current financial year 6-months FPE 31 December 2022 which is RM7.2 million higher compared to the preceding financial year corresponding 6-months FPE 31 December 2021 of RM2.1 million. It is mainly due to higher volume of business to our Other Services outlets, as a result of the lifting of interstate travel and domestic travel restrictions on 11 October 2021.

Profit before taxation for the current financial year 6-months FPE 31 December 2022 was RM4.5 million as compared to loss before taxation of RM11.2 million for the preceding financial year corresponding 6-months FPE 31 December 2021. The increase in profit before taxation of RM15.7 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 recovery of customer confidence and consumer behaviour.

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

	3 Months Ended		Changes	
	31/12/2022	30/9/2022	RM'000	%
Revenue	36,673	30,532	6,141	20%
EBITDA	12,790	10,484	2,306	22%
Profit before taxation	2,913	1,549	1,364	88%

The Group recorded revenue, EBITDA and profit before taxation of RM36.7 million, RM12.8 million and RM2.9 million respectively for the current financial quarter ended 31 December 2022. The revenue increased by RM6.1 million or approximately 20% as compared to the revenue of RM30.5 million recorded for the immediate preceding financial quarter ended 30 September 2022. The higher revenue was mainly due to an increase in business volume as a result of more mid-term school holidays and public holidays in the current financial quarter compared to the immediate preceding financial quarter ended 30 September 2022. This includes the Christmas festival and new years celebration in the last week of December 2022, which lead to an increase in the level of patrons to the Group's food service outlets, Other Services outlets, as well as footfalls to the Group's amusement and recreation parks.

The improvement in revenue had contributed to a higher EBITDA and profit before taxation for the current financial quarter of RM12.8 million and RM2.9 million respectively as compared to EBITDA and profit before taxation of RM10.5 million and RM1.5 million respectively for the immediate preceding financial quarter ended 30 September 2022.

B3. Coming Year Prospects

According to the Quarterly Bulletin for the 4th Quarter 2022 by Bank Negara Malaysia, all economic sectors registered growth in the 4th quarter of 2022. The services sector expanded by 8.9% (3Q 2022: 16.7%), supported by consumer-related subsectors amid better labour market conditions and the continued recovery in tourism activities. The sector also benefitted from improvements in real estate and business services activities. For 2023, the Malaysian economy is expected to expand at a more moderate pace, amid a challenging external environment. Growth will be driven by domestic demand, supported by the continued recovery in labour market and realisation of multi-year investment projects. The services and manufacturing sectors will continue to drive the economy. Meanwhile, the slowdown in exports following weaker global demand will be partially cushioned by higher tourism activity. Additionally, according to the press release by the Ministry of Finance, Malaysia dated 16 February 2023, Fitch Rating expects services to continue to be boosted by resilient domestic demand, contained inflation and the recovery in tourism-related sectors from the re-opening of China.

Our Group remains positive and poised to leverage on opportunities arising from higher tourism activity and will also continue to re-strategize 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

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

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		6 Months Ended	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	5,301	5,781	10,602	11,547
Depreciation of right-of-use assets	1,501	1,321	2,826	2,588
Finance costs	3,438	1,164	6,026	3,164
Finance income	(363)	(157)	(642)	(330)

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		6 Months Ended	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	RM'000	RM'000	RM'000	RM'000
Current taxation				
Malaysian - current	1,170	(1)	1,944	6
	<u>1,170</u>	<u>(1)</u>	<u>1,944</u>	<u>6</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

There were no corporate proposals announced but not completed as at 20 February 2023.

B8. Group Borrowings

	As at	As at
	31/12/2022	30/6/2022
	RM'000	RM'000
Long-term borrowings		
Secured:		
Term loans	57,211	62,931
	<u>57,211</u>	<u>62,931</u>
Short-term borrowings		
Secured:		
Term loans	14,472	14,478
	<u>14,472</u>	<u>14,478</u>
Total borrowings	<u>71,683</u>	<u>77,409</u>

B9. Changes in Material Litigation

There is no material litigation involving the Group subsequent to 30 June 2022 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		6 Months Ended	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Profit/(Loss) attributable to Owners of the Company (RM'000)	1,744	(418)	2,521	(11,227)
Weighted average number of ordinary shares in issue ('000)	430,836	399,140	430,836	399,140
Basic earnings/(loss) per share (sen)	0.40	(0.10)	0.59	(2.81)

(ii) Diluted earnings per share

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		6 Months Ended	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Profit/(Loss) attributable to Owners of the Company (RM'000)	1,744	(418)	2,521	(11,227)
Weighted average number of ordinary shares in issue ('000)	430,836	399,140	430,836	399,140
Adjustment for potential conversion of warrants ('000)	3,590	9,141	7,527	9,141
	434,426	408,281	438,363	408,281
Diluted earnings/(loss) per share (sen)	0.40	(0.10)	0.58	(2.75)

B12. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the FYE 30 June 2022 was unqualified.

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.