



HRC World Plc

(England & Wales Company No. 10829936)

Unaudited Preliminary Consolidated Result For Year Ended 31 March 2020

HRC World Plc

(England & Wales Company No. 10829936)

**Consolidated Statement of Comprehensive Income
For year ended 31 March 2020**

	Year ended 31 March 2020 US\$'000	Year ended 31 March 2019 US\$'000
Turnover	-	-
Cost of sales	-	-
Gross profit	-	-
General and administrative expenses	(690)	(443)
Profit/(loss) before tax from continuing operation	(690)	(443)
Income tax expense	-	-
Profit/(Loss) from continuing operation	(690)	(443)
Profit/(Loss) from discontinued operation	-	13,770
Total loss for the year	(690)	13,327
Other comprehensive income	-	-
Total comprehensive income/(loss) attributable to the owners of the company	(690)	13,327
Total comprehensive income/(loss) attributable to the owners of the company arises from:		
Continuing operation	(690)	(443)
Discontinued operation	-	13,770
	(690)	13,327
Earnings per share from continuing operation attributable to the owners of the company		
Loss per share (basic and diluted) cent/share	(0.46)	(0.30)
Earnings per share from discontinued operation attributable to the owners of the company		
Earning/(loss) per share (basic and diluted) cent/share	-	9.18

HRC World Plc(England & Wales Company No. 10829936)**Consolidated Statement of Financial Position****As at 31 March 2019**

	At 31 March 2020 US\$'000	At 31 March 2019 US\$'000
Non-current assets		
Investment in associates	2,090	-
	2,090	-
Current assets		
Trade and other receivables	55	57
Amount due from a related company	-	20,000
Cash and cash equivalents	1,692	17
	1,747	20,074
Current Liabilities		
Trade and other payables	314	132
Amount due to related company	25	-
Amount due to a shareholder	30	854
Amount due to director	84	14
	453	1,000
Net Current Asset/(Liabilities)	1,294	19,074
Total Assets less Current Liabilities	3,384	19,074
Net Assets/(Liabilities)	3,384	19,074
Capital and reserve		
Share capital	1,849	1,849
Share premium	1,808	1,808
Other equity	(15,000)	-
Merger reserve	12,799	12,799
Accumulated profit/(loss)	1,928	2,618
Total Equity	3,384	19,074

HRC World Plc(England & Wales Company No. 10829936)**Consolidated Statement of Changes in Equity****For year ended 31 March 2019**

	Share capital US\$'000	Share premium US\$'000	Merger reserve US\$'000	Translation reserve US\$'000	Treasury shares US\$'000	Retained earnings US\$'000	Total US\$'000
As at 31 March 2018	1,849	1,808	12,799	285	-	(10,709)	6,032
Reclassification on disposal of HRC Asia Limited	-	-	-	(285)	-		(285)
Profit for the year	-	-	-	-		13,327	13,327
Total comprehensive income for the year	-	-	-	(285)	-	13,327	13,042
As at 31 March 2019	1,849	1,808	12,799	-	-	2,618	19,074
Profit for the year	-	-	-	-	-	(690)	(690)
Total comprehensive income for the year	-	-	-	-		(690)	(690)
Acquisition of treasury shares					(15,000)		(15,000)
As at 31 March 2020	1,849	1,808	12,799	-	(15,000)	1,928	3,384

HRC World Plc(England & Wales Company No. 10829936)**Consolidated Statement of Cash Flows
For Year Ended 31 March 2019**

	Year ended 31 March 2020 US\$'000	Year ended 31 March 2019 US\$'000
Cash flow from operating activities		
Profit/(loss) before tax		
Continuing operations	(690)	(443)
Discontinued operations	-	13,770
Profit/(loss) before tax including discontinued operations	(690)	13,327
<i>Adjustments for:</i>		
Gain from disposal group	-	(15,028)
Operating cash flows before movements in working capital	(690)	(1,701)
Decrease/(increases) in inventories	-	53
Decrease in trade and other receivables	5,002	23
Increase in amount due from related companies	25	-
Increase in trade and other payables	182	38
Decrease in amount due to shareholders	(824)	314
Increase in amount due to a director	70	(89)
<i>Cash used in operations</i>	4,455	(1,362)
Net cash from/(used in) operating activities	3,765	(1,362)
Cash flows (for)/from investing activities		
Investment in associated companies	(2,090)	-
Net cash used in investing activities	(2,090)	-
Cash flows (for)/from financing activities		
Proceeds from loans from a shareholder	-	923
Net cash generated from financing activities	-	923
Net (decrease)/increase in cash & cash equivalents	1,675	(439)
Effect of exchange differences	-	-
Cash and equivalents at beginning of year	17	456
Cash and equivalents at end of year	1,692	17

1. The Company did not record any revenue for the period. Operational overheads resulted in the loss before tax from continuing operation of US\$ 690,000 (compared to loss from continuing operation of US\$ 443,000 and profit of US\$13,770,000 for the year ended 31 March 2019).
2. Loss per share for the year was US\$ 0.46 per share and 150,000,000 shares were outstanding at the close of the financial year ended 31 March 2020. The Company's consolidated net assets remained positive as at 31 March 2020.
3. The Company invested US\$2.09 million in non-current assets during the year. Net assets as at 31 March 2020 stood at US\$ 3.384 million for the current year compared to US\$ 19.074 million for the year ended 31 March 2019.
4. The Company was shareholder of HRC Asia Ltd, franchisee of the Hard Rock franchise in China. On 27 July 2018, the Company entered into a Share Sale Agreement with Ada Ventures (Malaysia) Sdn Bhd, the original founder of the franchisee, for the sale of HRC Asia Ltd. The consideration receivable by the Company under this agreement is US\$ 20,000,000. The sale was approved by shareholders at the Company's Annual General Meeting on the 23 August 2018.
5. On 10 July 2019 the Company announced that it had entered into a settlement arrangement for the settlement of the US\$20,000,000 owed by AVM. The arrangement consisted of settlement of US\$15,000,000 by way of transferring to the Company 11,154,904 ordinary shares of the Company held by AVM's beneficial owner and the payment of the balance of US\$5,000,000 in cash. Separately the Company had intended to use the proceeds from the SSA to repurchase shares of the Company based on authority to do so obtained at the Company's Annual General Meeting held on 23 August 2018. Accordingly, the Company has treated the 11,154,904 ordinary shares transfer to be under the settlement arrangement as an off-market share buyback with a 15% discount to the lowest traded share price since listing, resulting in a buyback value of €1.19 each, totaling to €13,274,335 (approximately US\$15,000,000 based on EUR/USD of 1.13). This was undertaken in line with, and before the expiry of, its current share buyback authorities and the shares have been treated as Treasury Shares in the books of the Company. The share buyback is within the limits of the available reserves in the Company. The Company received the balance of US\$5,000,000 in cash due to it on 24 July 2019.
6. On 2 March 2020, the Company acquired a dormant BVI company and renamed it HRC Music Ltd to replace HRC Music Plc in pursuing the Company's ambition in the music content business. On 25 March 2020, a resolution was passed for the voluntary dissolution of HRC Music Plc under Section 1003 of the Companies Act. Accordingly the dissolution application form DS01 had been submitted to the registrar, Companies House. A gazetted notice was published by the registrar on 14 April 2020 concluding the dissolution within 2 months from the date.
7. On 5 February 2020 the Company entered into equity participation of a Malaysian home-grown executive café and express fast-food kiosk based in Kuala Lumpur as well as into a business/executive lounge and music & dance club through the subscription of 2,547,000 shares in HMRC Sdn Bhd and 6,300,000 shares in HRC East Sdn Bhd, representing 45% equity in both the Malaysian entities at par value for total of RM8,847,000 (in Malaysian Ringgit), equivalent to about US\$2,090,000.
8. Subsequent to the investment, the Company will be entering into the Restaurant Management Agreement (RMA) with each of the entities. The RMA provides for the Company to make

available (1) restaurant marketing and promotion support services, (2) tourist based customer acquisition services, and (3) music & event based revenue development. The Company will not be involved in the day-to-day operations of the businesses under the RMA but allows the Company to charge periodical management fees as a percentage of revenue for management services provided to each of the business.

9. The Directors are not proposing any dividend for the period.
10. The planned date of the Annual General Meeting of the shareholders on or before 31 August 2020.
11. The Audited Consolidated Annual Report for the year ended 31 March 2020 is expected to be published on or before 31 July 2020 on the Company Website at www.hrcplc.co.uk and will be available from the Company Secretary upon request by the shareholders
12. The Board of Directors of the Company hereby approves this announcement of the Unaudited Preliminary Consolidated Results for the year ended 31 March 2020

By order of the Board

Thong Teong Bun

Chairman

30 June 2020