

BONIA CORPORATION BERHAD

(COMPANY NO. 223934-T)

[Incorporated in Malaysia]

CONDENSED CONSOLIDATED BALANCE SHEETS

As at 30 September 2003

(Unaudited)

	30 Sep 2003 RM'000	30 Jun 2003 RM'000
<u>ASSETS EMPLOYED</u>		
PROPERTY, PLANT AND EQUIPMENT	32,253	32,379
GOODWILL ON CONSOLIDATION	9,908	9,908
INTANGIBLE ASSET	15	15
PROPERTY DEVELOPMENT EXPENDITURE	37,839	37,837
OTHER INVESTMENTS	6,972	6,971
DEFERRED TAX ASSETS	342	342
CURRENT ASSETS		
Inventories	24,403	24,246
Trade and other receivables	29,183	25,808
Cash and cash equivalents	4,235	4,665
	<u>57,821</u>	<u>54,719</u>
CURRENT LIABILITIES		
Trade and other payables	20,032	18,350
Bank borrowings	48,548	47,342
Taxation	1,745	2,229
	<u>70,325</u>	<u>67,921</u>
NET CURRENT ASSETS/(LIABILITIES)	<u>(12,504)</u>	<u>(13,202)</u>
	<u>74,825</u>	<u>74,250</u>
<u>FINANCED BY</u>		
SHARE CAPITAL	40,351	40,253
RESERVES	20,572	19,439
SHAREHOLDERS' FUNDS	60,923	59,692
MINORITY INTERESTS	717	650
LONG-TERM LIABILITIES		
Bank borrowings	13,067	13,785
Deferred tax liabilities / (assets)	118	123
	<u>74,825</u>	<u>74,250</u>
Net Tangible Assets per Share (sen)	<u>126</u>	<u>124</u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 June 2003)

BONIA CORPORATION BERHAD

(COMPANY NO. 223934-T)

[Incorporated in Malaysia]

CONDENSED CONSOLIDATED INCOME STATEMENTS

For the period ended 30 September 2003

(Unaudited)

	Individual Quarter		Cumulative Quarter	
	Current Year 30 Sep 2003 RM' 000	Preceding Year Corresponding Quarter 30 Sep 2002 RM' 000	Current Year To-Date 30 Sep 2003 RM' 000	Preceding Year Corresponding Period 30 Sep 2002 RM' 000
Revenue	28,252	27,033	28,252	27,033
Operating expenses	(24,772)	(23,652)	(24,772)	(23,652)
Depreciation and amortisation	(942)	(679)	(942)	(679)
Other operating income	104	144	104	144
Profit / (loss) from operations	2,642	2,846	2,642	2,846
Finance costs	(1,031)	(1,389)	(1,031)	(1,389)
Interest income	-	-	-	-
Profit / (loss) before taxation	1,611	1,457	1,611	1,457
Taxation	(555)	(449)	(555)	(449)
Profit / (loss) after taxation	1,056	1,008	1,056	1,008
Minority interest	79	48	79	48
Net Profit for the period	1,135	1,056	1,135	1,056
Earnings per share (sen) (Note B13)				
- Basic	2.81	2.64	2.81	2.64
- Diluted	2.78	NA	2.78	NA

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2003)

Note : NA denotes "Not Applicable"

BONIA CORPORATION BERHAD

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the period ended 30 September 2003

(Unaudited)

	Share Capital RM' 000	Non- Distributable Share Premium, Reserves RM' 000	Distributable Retained Profits RM' 000	Total RM' 000
As at 1 July 2003	40,253	3,817	15,622	59,692
Net profit / (loss) for the period	-	(15)	1,135	1,120
Dividend paid	-	-	-	-
Issue of shares for ESOS	98	13	-	111
As at 30 September 2003	40,351	3,815	16,757	60,923
As at 1 July 2002				
- As previously reported	40,000	3,732	14,597	58,329
- MASB 25 adjustment	-	-	129	129
Restated balance	40,000	3,732	14,726	58,458
Net profit / (loss) for the period	-	-	1,056	1,056
As at 30 September 2002	40,000	3,732	15,782	59,514

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2003)

BONIA CORPORATION BERHAD

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CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

For the period ended 30 September 2003

(Unaudited)

	30 Sep 2003 RM' 000	30 Sep 2002 RM' 000
Cash flows from operating activities		
Profit / (loss) before taxation	1,611	1,457
Adjustments for non-cash flow:		
Non-cash items	942	679
Impairment loss of assets	-	-
Finance costs	1,031	1,389
Operating profit / (loss) before working capital changes	<u>3,584</u>	<u>3,525</u>
Changes in working capital		
Net change in current assets	(3,532)	(3,766)
Net change in current liabilities	1,677	3,739
Cash generated from operations	<u>1,729</u>	<u>3,498</u>
Finance costs	(1,031)	(1,389)
Tax (paid) / refund	(1,037)	(754)
Net Cash generated from operations activities	<u>(339)</u>	<u>1,355</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(688)	(1,286)
Net change in property development expenditure	(2)	-
Net cash used in investing activities	<u>(690)</u>	<u>(1,286)</u>
Cash flows from financing activities		
Net proceed / (repayment) of bank borrowings	(3,812)	(2,403)
Dividend paid	-	-
Proceeds from issue of shares	111	-
Net cash used in financing activities	<u>(3,701)</u>	<u>(2,403)</u>
Net (decrease) / increase in cash and cash equivalents	<u>(4,730)</u>	<u>(2,334)</u>
Cash and cash equivalents at beginning of period	<u>(12,344)</u>	<u>(17,398)</u>
Cash and cash equivalents at end of period (Note A13)	<u>(17,074)</u>	<u>(19,732)</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2003)

BONIA CORPORATION BERHAD

(Company No. 223934-T)
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NOTES TO INTERIM FINANCIAL REPORT 30 SEPTEMBER 2003

(Unaudited)

A1. Accounting Policies

The interim financial report is unaudited and has been prepared in accordance with the MASB 26, Interim Financial Reporting and Chapter 9, Part K of the Listing Requirements of Kuala Lumpur Stock Exchange.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial period ended 30 June 2003.

The 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 for the year ended 30 June 2003.

A2. Declaration of audit qualification

There was no qualified report issued by the auditors in the financial statements of the Group for the year ended 30 June 2003.

A3. Seasonality or Cyclicity of Interim Operations

The business operations of the Group are generally dependent on the Malaysian economy, consumer confidence and Government support, as well as major festive seasons.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items in the quarterly financial statements under review.

A5. Material Changes in Estimates

There were no changes in the estimates of amounts, which give a material effect in prior interim periods of the current financial year or in prior financial year.

A6. Debts and Equity Securities

During the current 3 months ended 30 September 2003, the Company increased its issued and paid up capital to RM40,351,000 by allotment of 98,000 new ordinary shares of RM1.00 each under the Executives' Share Option Scheme.

There were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for current quarter under review.

A7. Dividend Paid

No dividend has been paid in current quarter under review.

BONIA CORPORATION BERHAD

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NOTES TO INTERIM FINANCIAL REPORT

30 SEPTEMBER 2003

(Unaudited)

A8. Segmental Reporting

Business segments

	Retailing RM'000	Manufac- turing RM'000	Investment and property development RM'000	Elimination RM'000	Consolidation RM'000
Revenue					
External sales	28,155	0	97	-	28,252
Inter-segment sales	4,753	1,869	509	(7,131)	-
	<u>32,908</u>	<u>1,869</u>	<u>606</u>	<u>(7,131)</u>	<u>28,252</u>
Results					
Profit / (loss) before taxation	2,152	(65)	(10)	(466)	1,611
Taxation					<u>(555)</u>
Profit after taxation					1,056
Minority interest					<u>79</u>
Net profit for the period					<u>1,135</u>

A9. Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment if any, have been brought forward without amendment from the previous annual financial statements.

A10. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the current quarter under review up to the date of this report.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

A12. Changes in Contingent Liabilities

The contingent liabilities of the Group as at 30 September 2003 comprised of Corporate guarantee given to financial institutions for credit facilities granted to certain subsidiary companies amount to RM109.4 million of which utilised by these subsidiaries amounted to RM55.7 million.

A13. Cash and cash equivalents

	30 Sep 2003 RM'000	30 Sep 2002 RM'000
Fixed deposits	2,475	2,774
Cash and bank balances	1,760	760
Bank overdrafts	<u>(18,922)</u>	<u>(20,965)</u>
	(14,687)	(17,431)
Less : Fixed deposit pledged	<u>(2,387)</u>	<u>(2,301)</u>
	<u>(17,074)</u>	<u>(19,732)</u>

BONIA CORPORATION BERHAD

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NOTES TO INTERIM FINANCIAL REPORT 30 SEPTEMBER 2003 (Unaudited)

ADDITIONAL INFORMATION REQUIRED BY THE KLSE'S LISTING REQUIREMENTS

B1. Review of Performance of the Company and its Subsidiaries

Group revenue for the first quarter increased by RM1.2 million or 5% over the corresponding quarter in the preceding year principally due to higher sales volume arising mainly from the Mega Sales Carnival in August 2003.

Group profit before taxation increased to RM1.6 million from RM1.4 million in the previous corresponding quarter as a result of the higher revenue achieved.

B2. Comments on Material Changes in the Profit Before Taxation for the Quarter under Review as Compared with Immediate Preceding Quarter

For the quarter under review, the Group recorded a profit before taxation of RM1.6 million as compared to a loss before taxation of RM0.8 million for the preceding quarter mainly due to higher revenue achieved.

B3. Current Year Prospect

Barring any unforeseen circumstance and assuming the present business sentiment continues, the Board of Directors expects the coming quarters performance to be satisfactory.

B4. Variance of Actual Profit from Forecast Profit

Not applicable.

B5. Taxation

	Current quarter ended 30 Sep 2003 RM'000	Current year to-date ended 30 Sep 2003 RM'000
Current year tax	560	560
Deferred tax	(5)	(5)
	<u>555</u>	<u>555</u>

The tax charge for the Group reflects an effective tax rate which is higher than the statutory tax rate due mainly to tax losses of certain subsidiary companies for which deferred tax assets are not recognised due to uncertainty in availability of future profit for utilisation, and certain expenses which are not deductible for tax purposes.

B6. Profit / (Loss) on Sale of Unquoted Investments and/or Properties

There were no sales of unquoted investments or properties for the financial period under review.

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NOTES TO INTERIM FINANCIAL REPORT

30 SEPTEMBER 2003

(Unaudited)

B7. Quoted Securities

There were no purchases or disposals of quoted securities for the financial period under review.

B8. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this announcement.

B9. Group Borrowings

The total Group borrowings and debts securities as at 30 September 2003 are as follows:-

	Short Term Borrowing RM'000	Long Term Borrowing RM'000
<u>Secured</u>		
Bank overdrafts	7,473	-
Bankers' acceptances / Trust receipts	5,732	-
Revolving credits	4,900	-
Term loans	5,320	12,455
	<u>23,425</u>	<u>12,455</u>
<u>Unsecured</u>		
Bank overdrafts	11,449	-
Bankers' acceptances / Trust receipts	12,858	-
Revolving credits	450	-
Hire purchase & lease	366	612
	<u>25,123</u>	<u>612</u>
Total	<u>48,548</u>	<u>13,067</u>

B10. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments entered into by the Group as at the date of this report.

B11. Material Litigation

There was no material litigation pending at the date of this report.

B12. Dividend

No interim dividend has been declared for the period under review.

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NOTES TO INTERIM FINANCIAL REPORT

30 SEPTEMBER 2003

(Unaudited)

B13. Earnings Per Share

The basic and diluted earnings per share has been calculated by dividing the Group's net profit/(loss) for the period by the number of ordinary shares in issue during the period.

i) Net Profit / (loss) for the period (basic & diluted)

	Current year quarter 30 Sep 2003 RM'000	Preceding year quarter 30 Sep 2002 RM'000	Current year to-date 30 Sep 2003 RM'000	Preceding year period 30 Sep 2002 RM'000
Net profit / (loss) for the period	1,135	1,056	1,135	1,056

ii) Number of ordinary shares (basic)

	Current year quarter 30 Sep 2003 '000	Preceding year quarter 30 Sep 2002 '000	Current year to-date 30 Sep 2003 '000	Preceding year period 30 Sep 2002 '000
Weighted average number of ordinary shares	40,343	40,000	40,343	40,000

iii) Number of ordinary shares (diluted)

	Current year quarter 30 Sep 2003 '000	Preceding year quarter 30 Sep 2002 '000	Current year to-date 30 Sep 2003 '000	Preceding year period 30 Sep 2002 '000
Weighted average number of ordinary shares	40,343	-	40,343	-
Effect of share option	518	-	518	-
Weighted average number of ordinary shares (diluted)	40,861	-	40,861	-

By Order of the Board,
BONIA CORPORATION BERHAD

CHONG CHIN LOOK

Finance Director

Kuala Lumpur

18 November 2003