

BONIA CORPORATION BERHAD

(Company No. 223934-T)
[Incorporated in Malaysia]

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2007 CONDENSED CONSOLIDATED BALANCE SHEETS		
	Unaudited As At 30 Jun 2007 RM'000	Audited As At 30 Jun 2006 RM'000 (Restated)
ASSETS		
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENT	48,026	45,631
PREPAID LEASE PAYMENTS	648	655
LAND HELD FOR PROPERTY DEVELOPMENT	1	4,821
INVESTMENT IN ASSOCIATED COMPANIES	186	193
INVESTMENT PROPERTIES	7,958	7,958
LONG TERM INVESTMENTS	3,565	3,574
INTANGIBLE ASSETS	4,876	6,365
TRADE RECEIVABLE	0	10,386
DEFERRED TAX ASSETS	980	303
Total non-current assets	66,240	79,886
CURRENT ASSETS		
Inventories	35,046	38,152
Trade and other receivables	60,385	48,236
Cash and cash equivalents	65,763	23,004
Total current assets	161,194	109,392
Non-current assets held for sale	4,400	0
TOTAL ASSETS	231,834	189,278
EQUITY AND LIABILITIES		
SHARE CAPITAL	97,922	44,780
WARRANTS	195	1,900
RESERVES	38,557	43,395
Total equity attributable to the holders of the parent	136,674	90,075
Minority interest	2,440	1,960
Total equity	139,114	92,035
NON-CURRENT LIABILITIES		
Long Term borrowings	38,516	39,000
Deferred tax liabilities	506	245
Total non-current liabilities	39,022	39,245
CURRENT LIABILITIES		
Trade and other payables	20,557	19,887
Bank borrowings	26,901	33,626
Tax liabilities	6,240	4,485
Total current liabilities	53,698	57,998
Total liabilities	92,720	97,243
TOTAL EQUITY AND LIABILITIES	231,834	189,278
	0	0
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM)*	0.70	0.53

* Computed based on the enlarged number of ordinary shares in issue after the bonus issue and share split, which was completed on 23 April 2007 (refer to Note A6(b) and (c) in Part I of this interim financial report). The basis of computation is applied retrospectively.

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 June 2006)

BONIA CORPORATION BERHAD

(Company No. 223934-T)
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UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2007

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30 Jun 2007 RM'000	Preceding Year Corresponding Quarter 30 Jun 2006 RM'000 (Restated)	Current Year To-Date 30 Jun 2007 RM'000	Preceding Year Corresponding Period 30 Jun 2006 RM'000 (Restated)
Revenue	59,225	60,249	246,346	221,372
Cost of sales	(23,386)	(25,576)	(98,567)	(99,953)
Gross profit	35,839	34,673	147,779	121,419
Marketing and distribution expenses	(11,113)	(16,062)	(51,932)	(48,564)
General and administration expenses	(15,163)	(11,473)	(53,893)	(44,366)
Other operating income	934	801	2,167	1,200
Other expenses	(21)	(1,401)	(1,518)	(2,481)
Profit from operations	10,476	6,538	42,603	27,208
Finance costs	(1,195)	(1,553)	(5,484)	(5,727)
Share of results of associated co	(9)	5	(7)	13
Profit before taxation	9,272	4,990	37,112	21,494
Taxation	(269)	(1,128)	(8,429)	(7,072)
Net profit for the period	9,003	3,862	28,683	14,422
Attributable to :				
Equity holders of the parent	9,048	3,825	28,203	13,831
Minority interest	(45)	37	480	591
Profit for the period	9,003	3,862	28,683	14,422
Earnings per share attributable to equity holders of the parent :*				
(Note B13)				
- Basic (sen)	4.80	2.87	16.05	10.61
- Diluted (sen)	4.76	2.63	15.93	9.72

* Comparative earnings per share have been restated to take into account the effects of the bonus issue and subdivision of ordinary share of RM1.00 each into RM0.50 each on 23 April 2007.

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2006)

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2007

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	← Attributable to equity holders of the parent →						Minority interest RM'000	Total Equity RM'000
	Share Capital RM'000	Warrants RM'000	Share Premium, Reserves RM'000	Share Option Reserves RM'000	Distributable Retained Profits RM'000	Sub-total RM'000		
At 1 July 2006								
As previously stated	44,780	1,900	4,434	-	38,961	90,075	1,960	92,035
Effect of FRS 3	-	-	(649)	-	649	-	-	-
Restated balance	44,780	1,900	3,785	-	39,610	90,075	1,960	92,035
Issue of shares pursuant to the exercise of :								
- ESOS	3,458	-	367	-	-	3,825	-	3,825
- Warrants	18,472	(1,705)	1,705	-	-	18,472	-	18,472
- Bonus Issue	31,212	-	(3,883)	-	(27,329)	-	-	-
- Share options granted under ESOS	-	-	-	73	-	73	-	73
- Transfer of reserve upon shares issued	-	-	73	(73)	-	-	-	-
Translation gain	-	-	(475)	-	-	(475)	-	(475)
Net gain not recognised in the income statement	-	-	(475)	-	-	(475)	-	(475)
Net profit for the period	-	-	-	-	28,203	28,203	480	28,683
Dividends paid	-	-	-	-	(3,499)	(3,499)	-	(3,499)
At 30 June 2007	97,922	195	1,572	-	36,985	136,674	2,440	139,114
At 1 July 2005	41,894	2,091	4,040	-	28,303	76,328	1,138	77,466
Issue of shares pursuant to the exercise of :								
- ESOS	976	-	40	-	-	1,016	-	1,016
- Warrants	1,910	(191)	191	-	-	1,910	-	1,910
Issue of shares to minority interest	-	-	-	-	-	-	300	300
Capital reserve arising from acquisition of additional equity interest in a subsidiary company	-	-	37	-	-	37	(37)	-
Minority shareholders shares of pre-acq losses	-	-	-	-	-	-	(16)	(16)
Translation (losses)/gain	-	-	126	-	-	126	-	126
Net (losses)/gain not recognised in the income statement	-	-	126	-	-	126	-	126
Net profit for the period	-	-	-	-	13,831	13,831	591	14,422
Dividends paid	-	-	-	-	(3,173)	(3,173)	-	(3,173)
Dividends paid to minority shareholders	-	-	-	-	-	-	(16)	(16)
At 30 June 2006	44,780	1,900	4,434	-	38,961	90,075	1,960	92,035

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2006)

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2007**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

	30 Jun 2007 RM'000	30 Jun 2006 RM'000
Cash flows from operating activities		
Profit / (loss) before taxation	37,112	21,494
Adjustments for non-cash flow:		
Non-cash items	8,625	9,616
Share of results of associated companies	7	(13)
Impairment loss on assets	1,518	2,481
Allowance for doubtful debts	39	0
Finance costs	4,741	4,907
Interest income	(943)	(135)
Operating profit before changes in working capital	51,099	38,350
Changes in working capital		
Net change in property development expenditure	(35)	5,522
Net change in current assets	2,970	(2,691)
Net change in current liabilities	704	604
Cash generated from operations	54,738	41,785
Tax (paid) / refund	(9,286)	(6,876)
Net cash generated from operating activities	45,452	34,909
Cash flows from investing activities		
Interest received	943	135
Acquisition of a subsidiary company net of cash acquired	(5)	0
Purchase of property, plant and equipment	(10,642)	(7,982)
Purchase of long term investments	(52)	(2,500)
Uplift of fixed deposits pledged to licensed banks	1,110	(18)
Payment for trademarks	(4)	0
Proceeds from disposal of property, plant and equipment	118	61
Proceeds from disposal of investments properties	0	1,996
Net cash used in investing activities	(8,532)	(8,308)
Cash flows from financing activities		
Finance costs	(4,741)	(4,907)
Advances to an associated company	(1)	(1)
Net proceed / (repayment) of bank borrowings	(7,443)	(462)
Dividend paid	(3,499)	(3,173)
Dividends paid to minority shareholders	0	(16)
Proceeds from issue of shares to minority shareholders	0	100
Proceeds from issue of shares	22,370	2,926
Net cash (used in)/from financing activities	6,686	(5,533)
Net increase/(decrease) in cash and cash equivalents	43,606	21,068
Cash and cash equivalents at beginning of period	19,302	(1,766)
Cash and cash equivalents at end of period (Note A13)	62,908	19,302

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2006)

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NOTES TO INTERIM FINANCIAL REPORT 30 JUNE 2007

(Unaudited)

A1. Accounting Policies

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard (“FRS”) 134 : “Interim Financial Reporting” and Chapter 9 paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 30 June 2006.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2006.

1.1 Changes In Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2006 except for the changes arising from the adoption of the following new and revised Financial Reporting Standards (“FRS”) issued by MASB that are effective for the financial period beginning 1 July 2006 :-

FRS	2	Share-based Payment
FRS	3	Business Combinations
FRS	5	Non-current Assets Held For Sale And Discontinued Operations
FRS	101	Presentation Of Financial Statements
FRS	102	Inventories
FRS	108	Accounting Policies, Changes in Accounting Estimates And Errors
FRS	110	Events After The Balance Sheet Date
FRS	116	Property, Plant And Equipment
FRS	121	The Effects Of Changes In Foreign Exchange Rates
FRS	127	Consolidated And Separate Financial Statements
FRS	128	Investments In Associates
FRS	131	Interests In Joint Ventures
FRS	132	Financial Instruments : Disclosure And Presentation
FRS	133	Earnings Per Share
FRS	136	Impairment Of Assets
FRS	138	Intangible Assets
FRS	140	Investment Property

In addition to the above, the Group has also taken the option of early adoption of the following new and revised FRSs for the financial period beginning 1 July 2006 :

FRS	117	Leases
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The adoption of the above FRS did not result in substantial changes to the Group’s accounting policies other than the effects of the FRSs disclosed as follows :-

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i) **FRS 2 : Share-based Payment**

FRS 2 requires an equity to recognize share-based payment transactions in its financial statements, including transactions with employees or other parties to be settled in cash, other assets or equity instruments of the equity.

The Company has Executives' Share Option Scheme ("ESOS") whereby share options are granted to eligible Executive Directors, Non-Executive Directors and executives.

Prior to 1 July 2006, no compensation cost was recognised in the income statement when the share options are granted. Share capital and premium account are increased when the proceeds are received from the share options exercised by the employees in that financial period. Under the transitional provisions set out in paragraph 53 of FRS 2 this standard must be applied to share options that were granted after 31 December 2004 and had not yet vested on 1 January 2006. The adoption of this standard has not resulted in any retrospective impact to the Group as there were no new share options granted by the Company after 31 December 2004 which remain unvested on 1 January 2006.

Effective from 1 January 2006, with the adoption of FRS 2, the fair value of employee services rendered in exchange for the grant of the share options is recognised as compensation expense over the vesting period of the grants with a corresponding increase in equity. The total amount to be recognised as compensation expense is determined by reference to the fair value of the share options at the date of the grant and the number of share options to be vested by the vesting date. The fair value of the share options is measured using a Black Scholes model. At every balance sheet date, the Company revises its estimates of the number of share options that are expected to be vested by the vesting date. Any revision of this estimates is included in the income statement with a corresponding adjustment to equity over the remaining vesting period.

ii) **FRS 3 : Business Combination**

The adoption of this new FRS has resulted in the Group ceasing annual goodwill amortization. Goodwill is carried at cost less accumulated impairment on the balance sheet and is now tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. Any impairment loss is recognized in the income statement and subsequent reversal is not allowed. An impairment loss on goodwill amounting to RM1,497,000 has been recognized for the 12 months period ended 30.06.2007.

Under FRS 3, any excess of the Group's interest in their net fair value of acquires' identifiable assets, liabilities and contingent liabilities over cost of acquisitions (previously referred to as "negative goodwill"), after reassessment is now recognized immediately in profit or loss. Prior to 1 July 2006, negative goodwill was recognized as consolidation reserve. In accordance with the transitional provision of FRS 3, the consolidation reserve as at 1 July 2006 of RM 649,000 was derecognized with a corresponding increase in retained earnings.

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iii) FRS 101 : Presentation Of Financial Statement

The adoption of the revised FRS 101 has affected the presentation of minority interests, share of net after tax results of associates companies and other disclosures. In the consolidated balance sheet, minority interests are now presented within total equity. In the consolidated income statement, minority interests are presented as an allocation of the total profit or loss for the period. A similar requirement is also applicable to the statement of changes in equity. FRS 101 also requires, disclosure on the face of the statement of changes in equity, total recognised income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interest. The share of results in associated companies and jointly controlled entities are now disclosed net of tax and minority interests in the consolidated income statement.

The current period's presentation of the Group's financial statements is based on the revised Requirements of FRS 101, with the comparatives restated to conform with the current period's presentation.

d) FRS 117 : Leases

The adoption of the revised FRS 117 has resulted in a retrospective change in the accounting policy relating to the classification of leasehold land. The up-front payments made for the leasehold land represents prepaid lease payments and are amortised on a straight line basis over the lease term. A lease of land and building is apportioned into a lease of land and lease of building in proportion to the relative fair values of the leasehold interest in the land element and the building element of the lease at the inception of the lease. Prior to 1 July 2006, leasehold land was classified as property, plant and equipment and was stated as cost less accumulated depreciation and impairment losses.

Upon the adoption of the revised FRS 117 at 1 July 2006, the unamortized amount of leasehold land is retained as the surrogate carrying amount of prepaid lease payments as allowed by the transitional provisions of FRS 117.

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1.2 Comparative

The following comparative amounts have been restated due to the adoption of new and revised FRSs:

	As previously stated RM'000	Effect on Adoption of FRSs RM'000	As restated RM'000
Balance Sheet			
<u>As at 30 June 2006</u>			
Property, plant and equipment	46,286	(655)	45,631
Prepaid lease payments - FRS 117	-	655	655
Income statement			
<u>As at 1 July 2006</u>			
Retained profits	38,961	649	39,610
Reserve on consolidation - FRS 3	649	(649)	-

A2. Declaration of audit qualification

There was no qualified report issued by the auditors in the financial statements of the Group for the financial year ended 30 June 2006.

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

The unusual items included in the interim financial statements for the current quarter and current year ended 30 June 2007 relate to :

- 1) net overprovision of income tax of RM2.143 million in respect of prior years as disclosed in Note B5 of Part II of this interim financial report.

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A5. Material Changes in Estimates

Save as disclosed below in this interim financial report, there are no other material changes in the estimates :-

	As previously reported	Changes	As amended
	RM'000	RM'000	RM'000
3 months ended 30 June 2006			
Profit before taxation	4,967	23	4,990
Taxation	(1,167)	39	(1,128)
Profit for the period	3,800	62	3,862
Attributable to :			
Equity holders of the parent	3,764	61	3,825
Minority interest	36	1	37
Profit for the period	3,800	62	3,862
	Sen	Sen	sen
Earning per share			
- basic	8.46	0.14	8.60
- diluted	7.76	0.13	7.89

	As previously reported	Changes	As amended
	RM'000	RM'000	RM'000
Year-to-date ended 30 June 2006			
Profit before taxation	21,471	23	21,494
Taxation	(7,111)	39	(7,072)
Profit for the period	14,360	62	14,422
Attributable to :			
Equity holders of the parent	13,770	61	13,831
Minority interest	590	1	591
Profit for the period	14,360	62	14,422
	Sen	Sen	Sen
Earning per share			
- basic	31.68	0.14	31.82
- diluted	29.06	0.10	29.16

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(Unaudited)

A6. Debts and Equity Securities

During the current quarter ended 30 June 2007, the Company increased its issued and paid-up share capital from RM49,990,000 to RM97,922,000 by way of :

- (a) issuance of 12,434,000 new ordinary shares of RM1.00 each for cash at an exercise price of RM1.00 per share, by virtue of the exercise of Warrants 2005/2006;
- (b) issuance 31,212,000 new ordinary shares of RM1.00 each by way of capitalising RM3,882,773 from share premium account and RM27,329,294 from retained earnings account of the Company on 23 April 2007.
- (c) subdivision of the issued and paid up share capital of 93,636,000 new ordinary shares of RM1.00 each into 187,272,000 new ordinary shares of RM0.50 each on the basis of two (2) new ordinary shares of RM0.50 each for every one (1) ordinary share of RM1.00 each,
- (c) issuance of 8,572,000 new ordinary shares of RM0.50 each for cash at an exercise price of RM0.50 per share, by virtue of the exercise of Warrants 2005/2006.

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 the current quarter under review.

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A8. Segmental Reporting

Business segments

12 months ended 30 June 2007

	Retailing RM'000	Manufac- turing RM'000	Investment and property development RM'000	Elimination RM'000	Consolidation RM'000
Revenue					
External sales	245,886	-	460	-	246,346
Inter-segment sales	-	13,018	9,752	(22,770)	-
	<u>245,886</u>	<u>13,018</u>	<u>10,212</u>	<u>(22,770)</u>	<u>246,346</u>
Results					
Segment results	44,558	349	(5,532)	(2,256)	37,119
Share of results of associated Company					(7)
Profit before tax					<u>37,112</u>
Tax expense					<u>(8,429)</u>
Net profit for the period					<u>28,683</u>
Attributable to :					
Equity holders of the parent					<u>28,203</u>
Minority interest					<u>480</u>

12 months ended 30 June 2006

	Retailing RM'000	Manufac- turing RM'000	Investment and property development RM'000	Elimination RM'000	Consolidation RM'000
Revenue					
External sales	213,885	7	7,480	-	221,372
Inter-segment sales	-	10,747	7,033	(17,780)	-
	<u>213,885</u>	<u>10,754</u>	<u>14,513</u>	<u>(17,780)</u>	<u>221,372</u>
Results					
Segment results	26,921	14	(4,800)	(654)	21,481
Share of results of associated Company					13
Profit before tax					<u>21,494</u>
Tax expense					<u>(7,072)</u>
Net profit for the period					<u>14,422</u>
Attributable to :					
Equity holders of the parent					<u>13,831</u>
Minority interest					<u>591</u>

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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 end of the current quarter under review up to the date of this report.

A11. Changes in the Composition of the Group

Save for those disclosed below, there were no changes in the composition of the Group for the current quarter under review.

- (a) On 30 April 2007, Bonia Corporation Berhad ("Bonia") announced that Dominion Directions Sdn Bhd ("DDSB"), a wholly-owned subsidiary of Bonia acquired the entire equity interest in Galaxy Hallmark Sdn Bhd ("GHSB") comprising 2 ordinary shares of RM1.00 each for a total cash consideration of RM2.00 only from Cik Noraini Binti Abdullah and Encik Zainudin Bin Koming who were also the Directors of GHSB.

GHSB is a dormant company and its current authorized share capital is RM100,000 comprising of 100,000 ordinary shares of RM1.00 each, of which 2 shares have been issued and fully paid-up.

The intended principal activities of GHSB are marketing and distribution of men's apparel and accessories.

- (b) On 9 May 2007, Bonia Corporation Berhad ("Bonia") acquired the entire equity interest in New Series Sdn Bhd ("NSSB") comprising 2 ordinary shares of RM1.00 each for a total cash consideration of RM2.00 only from Cik Noraini Binti Abdullah and Encik Zainudin Bin Koming who were also the Directors of NSSB.

NSSB is a dormant company and its current authorized share capital is RM100,000 comprising of 100,000 ordinary shares of RM1.00 each, of which 2 shares have been issued and fully paid-up.

The intended principal activities of NSSB are marketing and distribution of men's apparel.

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- (c) On 23 May 2007, Bonia Corporation Berhad announced that its wholly-owned subsidiary, Active World Pte Ltd ("AWPL") had incorporated a subsidiary, Guangzhou Jia Li Bao Leather Fashion Co Ltd ("GJLB") in the People's Republic of China.

The current authorized share capital of GJLB is USD650,000.00 of which all the share capital has been issued and fully paid-up.

Its principal activities are retailing, marketing, promoting, designing, import and export of fashionable leather goods, apparels and accessories.

A12. Changes in Contingent Liabilities

The contingent liabilities of the Group as at 30 June 2007 comprised of corporate guarantee given to financial institutions for credit facilities granted to certain subsidiary companies amounted to RM99.7 million of which utilised by these subsidiaries amounted to RM34.1 million.

A13. Capital Commitments

The amount of capital commitments as at 30 June 2007 is as follows :

	RM'000
Authorised and contracted for :	
Properties under construction	10,609
Properties, plant and equipment	126
	<u>10,735</u>

A14. Cash and cash equivalents

	30 June 2007	30 June 2006
	RM'000	RM'000
Fixed deposits	53,662	9,132
Cash and bank balances	12,101	13,872
Bank overdrafts	<u>(1,803)</u>	<u>(1,569)</u>
	63,960	21,435
Less : Fixed deposit pledged	<u>(1,052)</u>	<u>(2,133)</u>
	<u>62,908</u>	<u>19,302</u>

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ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS

B1. Review of Performance of the Company and its Subsidiaries

The Group's revenue for the 12 months ended 30 June 2007 increased by RM24.97 million or 11.28% over the corresponding cumulative quarter in the preceding year. Excluding the revenue of RM7.13 generated from property division reported in the previous year, retail division achieved a 15% growth in revenue in the current year.

The growth was mainly attributed to higher sales achieved in leatherwear, footwear and apparels division. The improvement in sales performance was mainly due to the Group's strategy to provide more trendy and quality fashion products as well as opening of more outlets in strategic locations. Higher visitor arrivals and better local consumers consumption have also contributed to higher sales volume.

The Group's profit before tax increased to RM37.11 million from RM21.49 million in the previous year in tandem with the higher revenue generated as well as improvement in profit margin.

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 tax of RM9.27 million as compared to profit before tax of RM8.54 million in the preceding quarter ended 31 March 2007. The increase in profit before tax for the current quarter under review was mainly arising from higher sales achieved as well as lower operating expenses and finance costs incurred for the current quarter under review.

B3. Current Year Prospect

Barring any unforeseen circumstance and assuming the present business sentiment continues, the Board of Directors expects the next financial year to be satisfactory.

B4. Variance of Actual Profit from Forecast Profit

Not applicable.

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B5. Taxation

	Current year to-date ended 30 June 2007 RM'000	Preceding year to-date ended 30 June 2006 RM'000
Current year tax	10,990	6,971
(Over)/Under provision in prior year	(2,143)	133
Deferred tax	(418)	(32)
	<u>8,429</u>	<u>7,072</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.

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.

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B9. Group Borrowings

The total Group borrowings and debts securities as follows:-

	30 June 2007		30 June 2006	
	Short Term Borrowing RM'000	Long Term Borrowing RM'000	Short Term Borrowing RM'000	Long Term Borrowing RM'000
<u>Secured</u>				
Bank overdrafts	243	-	993	-
Bankers' acceptances / Trust receipts	6,152	-	5,621	-
Revolving credits	-	-	4,000	-
Term loans	503	6,703	1,487	7,373
	<u>6,898</u>	<u>6,703</u>	<u>12,101</u>	<u>7,373</u>
<u>Unsecured</u>				
Bank overdrafts	1,560	-	576	-
Bankers' acceptances / Trust receipts	17,766	-	19,875	-
Revolving credits	-	-	450	-
	-	30,000	-	30,000
Term loans				
Hire purchase & lease	677	1,813	624	1,627
	<u>20,003</u>	<u>31,813</u>	<u>21,525</u>	<u>31,627</u>
Total	<u>26,901</u>	<u>38,516</u>	<u>33,626</u>	<u>39,000</u>

The above include borrowings denominated in foreign currency as follows :-

	30 June 2007		30 June 2006	
	Foreign Currency '000	RM Equivalent '000	Foreign Currency '000	RM Equivalent '000
<u>Singapore Dollar</u>				
<u>Secured</u>				
Term Loan	701	1,508	721	1,664
<u>Unsecured</u>				
Trust Receipt	986	2,223	645	1,489
Total	<u>1,687</u>	<u>3,731</u>	<u>1,366</u>	<u>3,153</u>

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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

The Board of Directors has recommended a first and final dividend of 6% or 3 sen gross per 50 sen ordinary shares less 27% taxation in respect of the financial year ended 30 June 2007 which amounting to RM4,288,977 assuming based on 195,843,704 ordinary shares outstanding as at 30 June 2007.

The aforesaid final dividend will be proposed for shareholders' approval in the forthcoming Annual General Meeting. The entitlement date and payment date for the proposed final dividend will be determined and announced at a later date.

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B13. Earnings Per Share

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

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

	Current year quarter 30 June 2007 RM'000	Preceding year quarter 30 June 2006 RM'000	Current year to-date 30 June 2007 RM'000	Preceding year period 30 June 2006 RM'000
Net Profit attributable to shareholders	9,048	3,825	28,203	13,831

ii) Number of ordinary shares (basic)

	Current year quarter 30 June 2007 '000	Preceding year quarter 30 June 2006 '000	Current year to-date 30 June 2007 '000	Preceding year period 30 June 2006 '000
Weighted average number of ordinary shares	63,804	44,484	50,880	43,471
Effect of bonus issue*	31,212	22,242	31,212	21,736
Effect of shares split*	93,636	66,726	93,636	65,207
Weighted average number of Ordinary shares	188,652	133,452	175,728	130,414

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iii) Number of ordinary shares (diluted)

	Current year quarter 30 June 2007 '000	Preceding year quarter 30 June 2006 '000	Current year to-date 30 June 2007 '000	Preceding year period 30 June 2006 '000
Weighted average number of ordinary shares	188,652	133,452	175,728	130,414
Effects of ESOS	-	1,359	-	1,062
Effects of Warrants	1,331	10,644	1,331	10,815
Weighted average number of Ordinary shares (diluted)	189,983	145,455	177,059	142,291

*The weighted average number of share for the basic and diluted earnings per share computation retrospectively adjusted for the effect of the bonus shares issued and shares split on 23 April 2007.

By Order of the Board,
BONIA CORPORATION BERHAD

CHONG CHIN LOOK
Finance Director
Kuala Lumpur
27 August 2007