



| <b>UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2011</b>            |   |   |
|--|---|---|
| <b>CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>                              |   |   |
|  | <b>Unaudited<br/>As At<br/>31 Dec 2011<br/>RM'000</b> | <b>Audited<br/>As At<br/>30 Jun 2011<br/>RM'000</b> |
| <b>ASSETS</b>  |   |   |
| <b>NON-CURRENT ASSETS</b>  |   |   |
| Property, plant and equipment  | 75,766  | 71,130  |
| Investment properties  | 12,753  | 12,753  |
| Intangible assets  | 68,137  | 68,848  |
| Investments in associates  | 342   | 426   |
| Other investments  | 947   | 950   |
| Deferred tax assets  | 847   | 735   |
| <b>Total non-current assets</b>  | <b>158,792</b>  | <b>154,842</b>                                      |
| <b>CURRENT ASSETS</b>  |   |   |
| Inventories  | 96,156  | 81,464  |
| Trade and other receivables  | 96,010  | 76,680  |
| Current tax assets   | 2,115   | 4,227   |
| Cash and cash equivalents  | 82,178  | 56,037  |
| <b>Total current assets</b>  | <b>276,459</b>  | <b>218,408</b>                                      |
| <b>TOTAL ASSETS</b>  | <b>435,251</b>  | <b>373,250</b>                                      |
| <b>EQUITY AND LIABILITIES</b>  |   |   |
| Share capital  | 100,786   | 100,786   |
| Reserves   | 160,051   | 131,276   |
| <b>Total equity attributable to the owners of the parent</b>                               | <b>260,837</b>  | <b>232,062</b>                                      |
| <b>Non-controlling interest</b>  | <b>15,732</b>   | <b>14,925</b>                                       |
| <b>Total equity</b>  | <b>276,569</b>  | <b>246,987</b>                                      |
| <b>NON-CURRENT LIABILITIES</b>   |   |   |
| Trade and other payables   | 6,126   | 6,151   |
| Long term borrowings   | 34,178  | 32,926  |
| Deferred tax liabilities   | 7,291   | 7,411   |
| <b>Total non-current liabilities</b>   | <b>47,595</b>   | <b>46,488</b>                                       |
| <b>CURRENT LIABILITIES</b>   |   |   |
| Trade and other payables   | 76,043  | 53,138  |
| Bank borrowings  | 25,512  | 18,317  |
| Current tax payables   | 9,532   | 8,320   |
| <b>Total current liabilities</b>   | <b>111,087</b>  | <b>79,775</b>                                       |
| <b>Total liabilities</b>   | <b>158,682</b>  | <b>126,263</b>                                      |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <b>435,251</b>  | <b>373,250</b>                                      |
|  | -   | -   |
| <b>NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY<br/>EQUITY HOLDERS OF THE PARENT (RM)</b> | <b>1.29</b>   | <b>1.15</b>   |

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2011)*


**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2011**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

|  | Individual Quarter                               |   | Cumulative Quarter                                |  |
|--|--|---|---|--|
|  | Current Year<br>Quarter<br>31 Dec 2011<br>RM'000 | Preceding Year<br>Corresponding<br>Quarter<br>31 Dec 2010<br>RM'000 | Current Year-<br>To-Date<br>31 Dec 2011<br>RM'000 | Preceding Year<br>Corresponding<br>Period<br>31 Dec 2010<br>RM'000 |
| <b>Revenue</b>   | <b>151,462</b>                                   | <b>104,207</b>  | <b>303,695</b>                                    | <b>206,654</b>   |
| Cost of sales  | (64,619)   | (44,712)  | (123,755)   | (89,436)   |
| <b>Gross profit</b>  | <b>86,843</b>                                    | <b>59,495</b>   | <b>179,940</b>                                    | <b>117,218</b>   |
| Selling and distribution expenses                                      | (33,126)   | (26,427)  | (69,852)  | (54,079)   |
| General and administration expenses                                    | (31,918)   | (19,851)  | (56,468)  | (35,458)   |
| Other operating income   | 1,076  | 1,043   | 2,439   | 2,190  |
| <b>Profit from operations</b>  | <b>22,875</b>                                    | <b>14,260</b>   | <b>56,059</b>                                     | <b>29,871</b>  |
| Finance costs  | (1,607)  | (888)   | (3,156)   | (1,724)  |
| Share of results of associates   | (74)   | (3)   | (84)  | (36)   |
| <b>Profit before tax</b>   | <b>21,194</b>                                    | <b>13,369</b>   | <b>52,819</b>                                     | <b>28,111</b>  |
| Taxation   | (6,278)  | (4,024)   | (14,353)  | (8,581)  |
| <b>Profit for the period</b>   | <b>14,916</b>                                    | <b>9,345</b>  | <b>38,466</b>                                     | <b>19,530</b>  |
| Other comprehensive income   |  |   |   |  |
| Foreign currency exchange differences arising from consolidation       | (645)  | 524   | (726)   | 958  |
| <b>Total comprehensive income for the period</b>                       | <b>14,271</b>                                    | <b>9,869</b>  | <b>37,740</b>                                     | <b>20,488</b>  |
| <b>Profit attributable to :</b>  |  |   |   |  |
| Owners of the parent   | 13,212   | 9,180   | 33,225  | 19,197   |
| Non-controlling Interests  | 1,704  | 165   | 5,241   | 333  |
|  | <b>14,916</b>                                    | <b>9,345</b>  | <b>38,466</b>                                     | <b>19,530</b>  |
| <b>Total comprehensive income attributable to :</b>                    |  |   |   |  |
| Owners of the parent   | 12,626   | 9,704   | 32,554  | 20,155   |
| Non-controlling Interests  | 1,645  | 165   | 5,186   | 333  |
|  | <b>14,271</b>                                    | <b>9,869</b>  | <b>37,740</b>                                     | <b>20,488</b>  |
| Net earnings per share attributable to owners of the parent (Note B14) |  |   |   |  |
| - Basic (sen)  | 6.55   | 4.55  | 16.48   | 9.52   |

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2011)


**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2011**
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

|   | ← Attributable to owners of the parent → |                         |  |                             |                     | Non-controlling interests<br>RM'000 | Total Equity<br>RM'000 |
|---|--|-------------------------|--|-----------------------------|---------------------|-------------------------------------|------------------------|
|   | Share Capital<br>RM'000                  | Share Premium<br>RM'000 | Exchange translation reserve<br>RM'000 | Retained earnings<br>RM'000 | Sub-total<br>RM'000 |                                     |                        |
| <b>At 1 July 2011</b>   | 100,786                                  | 476                     | 3,345                                  | 127,455                     | 232,062             | 14,925                              | 246,987                |
| Profit for the period   | -  | -                       | -                                      | 33,225                      | 33,225              | 5,241                               | 38,466                 |
| Foreign currency translations                                   | -  | -                       | (671)                                  | -                           | (671)               | (55)                                | (726)                  |
| <b>Total comprehensive income for the period</b>                | -  | -                       | (671)                                  | 33,225                      | 32,554              | 5,186                               | 37,740                 |
| Transaction with owners :                                       |  |                         |  |                             |                     |                                     |                        |
| Dividends paid  | -  | -                       | -                                      | (3,779)                     | (3,779)             | -                                   | (3,779)                |
| Dividend paid to non-controlling interests of subsidiaries      | -  | -                       | -                                      | -                           | -                   | (4,379)                             | (4,379)                |
| <b>Total transactions with owners</b>                           | -  | -                       | -                                      | (3,779)                     | (3,779)             | (4,379)                             | (8,158)                |
| <b>At 31 December 2011</b>                                      | <b>100,786</b>                           | <b>476</b>              | <b>2,674</b>                           | <b>156,901</b>              | <b>260,837</b>      | <b>15,732</b>                       | <b>276,569</b>         |
| <b>At 1 July 2010</b>   | 100,786                                  | 476                     | 1,389                                  | 101,153                     | 203,804             | 2,349                               | 206,153                |
| Profit for the period   | -  | -                       | -                                      | 19,197                      | 19,197              | 333                                 | 19,530                 |
| Foreign currency translations                                   | -  | -                       | 958                                    | -                           | 958                 | -                                   | 958                    |
| <b>Total comprehensive income for the period</b>                | -  | -                       | 958                                    | 19,197                      | 20,155              | 333                                 | 20,488                 |
| Transaction with owners :                                       |  |                         |  |                             |                     |                                     |                        |
| Dividends paid in respect of previous financial year            | -  | -                       | -                                      | (5,039)                     | (5,039)             | -                                   | (5,039)                |
| Dividends paid in respect of current financial year             | -  | -                       | -                                      | (4,032)                     | (4,032)             | -                                   | (4,032)                |
| Acquisition of subsidiaries                                     | -  | -                       | -                                      | -                           | -                   | 14,447                              | 14,447                 |
| Disposal of shares to non-controlling interests of a subsidiary | -  | -                       | -                                      | -                           | -                   | 89                                  | 89                     |
| Dividend paid to non-controlling interests of a subsidiary      | -  | -                       | -                                      | -                           | -                   | (18)                                | (18)                   |
| <b>Total transactions with owners</b>                           | -  | -                       | -                                      | (9,071)                     | (9,071)             | 14,518                              | 5,447                  |
| <b>At 31 December 2010</b>                                      | <b>100,786</b>                           | <b>476</b>              | <b>2,347</b>                           | <b>111,279</b>              | <b>214,888</b>      | <b>17,200</b>                       | <b>232,088</b>         |

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2011)



**BONIA CORPORATION BERHAD** (223934-T)

[Incorporated in Malaysia]

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2011**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

|   | <b>31 Dec 2011</b> | <b>31 Dec 2010</b> |
|---|--------------------|--------------------|
|   | <b>RM'000</b>      | <b>RM'000</b>      |
| <b>Cash flows from operating activities</b>                         |                    |                    |
| Profit before tax   | 52,819             | 28,111             |
| Adjustments for non-cash flow:                                      |                    |                    |
| Non-cash items  | 8,552              | 6,309              |
| Share of results of associates                                      | 84                 | 36                 |
| Gain on disposal of property, plant and equipment                   | (37)               | (109)              |
| Interest expense  | 1,449              | 674                |
| Interest income   | (184)              | (253)              |
| Profit received from trust fund accounts                            | (30)               | (234)              |
| Operating profit before changes in working capital                  | 62,653             | 34,534             |
| Changes in working capital  |                    |                    |
| Net change in current assets  | (34,265)           | (32,042)           |
| Net change in current liabilities                                   | 23,001             | 2,105              |
| <b>Cash generated from/(used in) operations</b>                     | <b>51,389</b>      | <b>4,597</b>       |
| Tax paid  | (11,201)           | (4,236)            |
| <b>Net cash from/(used in) operating activities</b>                 | <b>40,188</b>      | <b>361</b>         |
| <b>Cash flows from investing activities</b>                         |                    |                    |
| Interest received   | 184                | 253                |
| Proceeds from disposal of shares to non-controlling interests       | -                  | 125                |
| Decreased/(Increased) in fixed deposits pledged to licensed banks   | 12                 | (8)                |
| Proceeds from disposal of property, plant and equipment             | 53                 | 174                |
| Acquisition of subsidiaries   | -                  | (46,981)           |
| Advances to an associate  | (2)                | -                  |
| Investment in an associate  | -                  | (443)              |
| Purchase of trademarks  | (10)               | (7)                |
| Purchase of other investments                                       | -                  | (350)              |
| Purchase of property, plant and equipment                           | (9,880)            | (7,188)            |
| Profit received from trust fund accounts                            | 30                 | 234                |
| Net cash used in investing activities                               | (9,613)            | (54,191)           |
| <b>Cash flows from financing activities</b>                         |                    |                    |
| Interest paid   | (1,449)            | (674)              |
| Proceed from bank borrowings  | 5,562              | 31,944             |
| Dividend paid to owners of the parent                               | (3,779)            | (9,071)            |
| Dividend paid to non-controlling interests                          | (4,379)            | (18)               |
| Net cash from financing activities                                  | (4,045)            | 22,181             |
| <b>Net increase/(decrease) in cash and cash equivalents</b>         | <b>26,530</b>      | <b>(31,649)</b>    |
| <b>Cash and cash equivalents at beginning of period</b>             | <b>51,931</b>      | <b>67,205</b>      |
| <b>Effect of exchange rate changes on cash and cash equivalents</b> | <b>(424)</b>       | <b>637</b>         |
| <b>Cash and cash equivalents at end of the period (Note A15)</b>    | <b>78,037</b>      | <b>36,193</b>      |

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 30 June 2011)*



**BONIA CORPORATION BERHAD** (223934-T)

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**NOTES TO INTERIM FINANCIAL REPORT**

**31 DECEMBER 2011**

*(Unaudited)*

**A1. Accounting Policies**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of 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 2011.

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 2011.

The significant accounting policies adopted by the Group in this Report are consistent with those used in the Audited Financial Statements of the Group for the financial year ended 30 June 2011 except for the changes arising from the adoption of the following new Financial Reporting Standards (“FRSs”), Amendments to FRSs and Issues Committee Interpretations (“IC Interpretations”) that are effective for financial periods beginning on or after 1 January 2010 :

| <b>New/Revised FRSs, Amendments to FRSs and IC Interpretations</b> | <b>Effective for financial periods beginning on or after</b> |
|--|--|
|--|--|

|                                  |   |                |
|----------------------------------|---|----------------|
| FRS 1                            | First-time Adoption of Financial Reporting Standards (revised)  | 1 July 2010    |
| FRS 3                            | Business Combinations (revised)   | 1 July 2010    |
| FRS 127                          | Consolidated and Separate Financial Statements (revised)  | 1 July 2010    |
| Amendment to FRS 2               | Share-based Payment   | 1 July 2010    |
| Amendment to FRS 5               | Non-current Assets Held for Sale and Discontinued Operations  | 1 July 2010    |
| Amendment to FRS 138             | Intangible Assets   | 1 July 2010    |
| Amendment to IC Interpretation 9 | Reassessment of Embedded Derivatives  | 1 July 2010    |
| IC Interpretation 12             | Service Concession Arrangements   | 1 July 2010    |
| IC Interpretation 16             | Hedges of a Net Investment in a Foreign Operation   | 1 July 2010    |
| IC Interpretation 17             | Distributions of Non-cash Assets to Owners  | 1 July 2010    |
| Amendment to FRS 1               | First-time Adoption of Financial Reporting Standards : Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters and Additional Exemptions for First-time Adopters | 1 January 2011 |
| Amendment to FRS 2               | Group Cash-settled Share-based Payment Transactions   | 1 January 2011 |
| Amendment to FRS 7               | Improving Disclosures about Financial Instruments   | 1 January 2011 |
| IC Interpretation 4              | Determining whether an arrangement contains a lease   | 1 January 2011 |

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**NOTES TO INTERIM FINANCIAL REPORT****31 DECEMBER 2011***(Unaudited)***A1. Accounting Policies (continued)****New/Revised FRSs, Amendments to FRSs and IC Interpretations  
(Cont'd)****Effective for  
financial periods  
beginning on or  
after**

|                                |                                    |                |
|--------------------------------|------------------------------------|----------------|
| IC Interpretation 18           | Transfers of Assets from Customers | 1 January 2011 |
| Improvements to FRSs<br>(2010) |                                    | 1 January 2011 |

The adoption of the above FRSs, Amendments to FRSs and Interpretations do not have any material impact on the financial statements of the Group.

The Group has not adopted the following new/revised FRSs, Amendments to FRSs and Interpretation that were in issue but not yet effective :

**New/Revised FRSs, Amendments to FRSs and IC Interpretations****Effective for  
financial periods  
beginning on or  
after**

|                                    |  |                |
|------------------------------------|--|----------------|
| Amendments to IC Interpretation 14 | FRS 119 The Limit on a Defined Benefit Asset, Minimum Funding Requirements | 1 July 2011    |
| IC Interpretation 19               | Extinguishing Financial Liabilities with Equity Instruments                | 1 July 2011    |
| IC Interpretation 15               | Agreements for the Construction of Real Estate                             | 1 January 2012 |
| FRS 124                            | Related Party Disclosures  | 1 January 2012 |

**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 2011.

**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 events affecting assets, liabilities, equity, net income or cash flow of the Group in the quarterly financial statements under review.

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**NOTES TO INTERIM FINANCIAL REPORT****31 DECEMBER 2011***(Unaudited)***A5. Material Changes in Estimates**

There were no material changes in estimates in the quarterly financial statements under review.

**A6. Debts and Equity Securities**

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

**A7. Dividend Paid**

A final dividend of 5% or 2.5 sen per ordinary share, less tax of 25% amounting to RM3,779,472 in respect of the financial year ended 30 June 2011 was paid on 29 December 2011.

**A8. Segment Information**

Business segments

**6 months ended 31 December 2011**

|                                 | Retailing<br>RM'000 | Manufacturing<br>RM'000 | Investment<br>and property<br>development<br>RM'000 | Elimination<br>RM'000 | Consolidation<br>RM'000 |
|---------------------------------|---------------------|-------------------------|---|-----------------------|-------------------------|
| <b>Revenue</b>                  |                     |                         |   |                       |                         |
| Revenue from external customers | 303,189             | 101                     | 405   | -                     | 303,695                 |
| Inter-segment revenue           | -                   | 12,379                  | 23,363  | (35,742)              | -                       |
| Total revenue                   | 303,189             | 12,480                  | 23,768  | (35,742)              | 303,695                 |
| <b>Results</b>                  |                     |                         |   |                       |                         |
| Segment operating profit        | 57,407              | 849                     | 12,528  | (14,909)              | 55,875                  |
| Share of loss of associates     | (84)                | -                       | -   | -                     | (84)                    |
| Interest income                 |                     |                         |   |                       | 184                     |
| Finance costs                   |                     |                         |   |                       | (3,156)                 |
| Profit before tax               |                     |                         |   |                       | 52,819                  |
| Tax expense                     |                     |                         |   |                       | (14,353)                |
| Profit for the financial period |                     |                         |   |                       | 38,466                  |
| Attributable to:                |                     |                         |   |                       |                         |
| Owners of the parent            |                     |                         |   |                       | 33,225                  |
| Non-controlling interests       |                     |                         |   |                       | 5,241                   |
|                                 |                     |                         |   |                       | 38,466                  |



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**NOTES TO INTERIM FINANCIAL REPORT**  
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(Unaudited)

**A8. Segment Information (continued)**  
Business segments (continued)

**6 months ended 31 December 2010**

|                                 | <b>Retailing<br/>RM'000</b> | <b>Manufac-<br/>turing<br/>RM'000</b> | <b>Investment<br/>and property<br/>development<br/>RM'000</b> | <b>Elimination<br/>RM'000</b> | <b>Consolidation<br/>RM'000</b> |
|---------------------------------|-----------------------------|---------------------------------------|---|-------------------------------|---------------------------------|
| <b>Revenue</b>                  |                             |                                       |   |                               |                                 |
| Revenue from external customers | 204,974                     | 1,479                                 | 201   | -                             | 206,654                         |
| Inter-segment revenue           | -                           | 9,761                                 | 20,904  | (30,665)                      | -                               |
| Total revenue                   | 204,974                     | 11,240                                | 21,105  | (30,665)                      | 206,654                         |
| <b>Results</b>                  |                             |                                       |   |                               |                                 |
| Segment operating profit        | 34,754                      | 548                                   | 10,775  | (16,459)                      | 29,618                          |
| Share of loss of associates     | (36)                        | -                                     | -   | -                             | (36)                            |
| Interest income                 |                             |                                       |   |                               | 253                             |
| Finance costs                   |                             |                                       |   |                               | (1,724)                         |
| Profit before tax               |                             |                                       |   |                               | 28,111                          |
| Tax expense                     |                             |                                       |   |                               | (8,581)                         |
| Profit for the financial period |                             |                                       |   |                               | 19,530                          |
| Attributable to:                |                             |                                       |   |                               |                                 |
| Owners of the parent            |                             |                                       |   |                               | 19,197                          |
| Non-controlling interests       |                             |                                       |   |                               | 333                             |
|                                 |                             |                                       |   |                               | 19,530                          |

**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.





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**NOTES TO INTERIM FINANCIAL REPORT**

**31 DECEMBER 2011**

*(Unaudited)*

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

Save for those disclosed below, there were no material events subsequent to the end of the current quarter under review up to the date of this report.

On 29 December 2011, the Company's 70% owned subsidiary, Jeco Pte Ltd had entered into the following agreements respectively in Germany for a total cash consideration of Euros (EUR) 3.20 million (approximately RM13,130,000.00) ("Total Cash Consideration") :

- (a) A Sale and Purchase Agreement with Mrs Christiane Brunk for the purpose of acquiring the 49% equity interests in Braun Verwaltungs-GmbH and Braun GmbH & Co. KG respectively for a total cash consideration of EUR 980,000.00 (approximately RM4,021,000.00);
- (b) A Loan Receivable Sale Agreement with Sparkasse Rhein-Nahe ("Sparkasse"), Braun KG ("Borrower"), CB, BRAUN BUFFEL, Retail GmbH & Co. KG, BRAUN BUFFEL Retail Management GmbH and BRUAN BUFFEL Suisse GmbH for the purpose of restructuring the total debts of EUR3,150,000.00 owing by the Borrower to Sparkasse and to be settled by Jeco with a lump sum of EUR2,200,000.00 (approximately RM9,027,000.00); and
- (c) Trade Mark Purchase and Transfer Agreement with BRUAN BUFFEL Markenverwertungs GmbH & KG, Mr Karl-Heinz Braun, Frau Liesel Braun for the purpose of acquiring the trade mark "BRAUN BUFFEL" that registered in United Arab Emirates, United State of America and Canada ("Trade Marks") for a total cash consideration of EUR20,000.00 (approximately RM82,000.00).

The Acquisition has no material effect on the earnings per share, net tangible assets per share of the Group, share capital and the substantial shareholdings of the Company for the financial year ending 30 June 2012.

**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 29 November 2011, the Company's wholly owned subsidiary, CRG Incorporated Sdn Bhd, incorporated a wholly owned subsidiary in Malaysia known as CRI Sdn Bhd ("CRI").

The current authorised share capital of CRI is RM100,000 comprising of 100,000 ordinary shares of RM1.00 each, of which 2 ordinary shares have been issued and fully paid-up.

The intended principal activities of CRI are marketing and distribution and export of fashionable goods and accessories.



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**NOTES TO INTERIM FINANCIAL REPORT**

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*(Unaudited)*

**A12. Changes in Contingent Liabilities**

The contingent liabilities of the Company as at 31 December 2011 comprised of corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries amounted to RM125.27 million of which utilised by these subsidiaries amounted to RM42.38 million.

**A13. Capital Commitments**

The amount of capital commitments as at 31 December 2011 is as follows:

|                                 | <b>RM'000</b> |
|---------------------------------|---------------|
| Authorised and contracted for:  |               |
| Property, plant and equipment:  |               |
| - properties under construction | 45,278        |
| - others                        | 678           |
|                                 | <u>45,956</u> |



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**A14. Related Party Disclosures**

The aggregate value of the recurrent related party transactions conducted between the Company's subsidiaries with the related parties during the current financial period under review are as follows:-

| No. | Transacting parties                  | Nature of transactions   | Interested parties and nature of relationship | 31 Dec 2011 Amount transacted RM'000 | 31 Dec 2010 Amount transacted RM'000 |
|-----|--------------------------------------|--|---|--------------------------------------|--------------------------------------|
| 1.  | Cassardi International Co. Ltd.      | <ul style="list-style-type: none"> <li>• Purchase of men's apparels</li> <li>• Payment of <i>Valentino Rudy</i> trademark royalty</li> </ul> | Note 1  | 786                                  | 989                                  |
| 2.  | Bonia International Holdings Pte Ltd | <ul style="list-style-type: none"> <li>• Payment of <i>Bonia, Carlo Rino and Sembonia</i> trademarks royalties</li> </ul>                    | Note 2  | 172                                  | -                                    |
| 3.  | BIH Franchising Ltd.                 | <ul style="list-style-type: none"> <li>• Payment of <i>Bonia,, Carlo Rino and Sembonia</i> trademarks royalties</li> </ul>                   | Note 3  | 538                                  | 792                                  |
| 4.  | Long Bow Manufacturing (S) Pte. Ltd. | <ul style="list-style-type: none"> <li>• Payment of office and warehouse rental</li> </ul>   | Note 4  | 663                                  | 98                                   |

**Notes:**

| No. | Related Parties                      | Relationship   |
|-----|--------------------------------------|--|
| 1.  | Cassardi International Co. Ltd.      | A company in which a major shareholder of VR Directions Sdn. Bhd. and New Series Sdn. Bhd., subsidiaries of the Company, Boonnam Boonnamsap has substantial financial interests. |
| 2.  | Bonia International Holdings Pte Ltd | A company in which a Director of the Company has substantial financial interest.   |
| 3.  | BIH Franchising Ltd.                 | A company in which a Director of the Company has substantial financial interest.   |
| 4.  | Long Bow Manufacturing (S) Pte. Ltd. | A company in which a Director of the Company has substantial financial interests.  |

Save as disclosed above, there were no recurrent related party transactions of revenue or trading nature during the current financial period under review.



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**A15. Cash and cash equivalents**

|   | <b>31 Dec<br/>2011<br/>RM'000</b> | <b>31 Dec<br/>2010<br/>RM'000</b> |
|---|-----------------------------------|-----------------------------------|
| Cash and bank balances                    | 67,839                            | 29,073                            |
| Fixed deposits with licensed banks        | 6,430                             | 4,321                             |
| Short term placements with licensed banks | 4,700                             | 4,200                             |
| Placements with licensed banks            | 3,209                             | 2,027                             |
| Bank overdrafts                           | (2,162)                           | (2,219)                           |
|   | <hr/> 80,016                      | <hr/> 37,402                      |
| Less: Fixed deposit pledged               | (1,979)                           | (1,209)                           |
|   | <hr/> <hr/> 78,037                | <hr/> <hr/> 36,193                |



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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 6 months financial period ended 31.12.2011 (Q2 FY2012) increased by RM97.0 million or 46.9% as compared to the preceding year corresponding period ended 31.12.10 (Q2 FY2011).

The growth was mainly attributed to the additional revenue contribution from Jeco (Pte) Limited (Jeco) of RM69.4 million for Q2 FY2012 as compared to last year corresponding cumulative quarters. The Group completed its acquisition of Jeco on 20 December 2010. Excluding the contribution from Jeco, the Group also achieved reasonably well with a growth of 12.9% driven by its sales growth in both the boutique and consignment sales outlets.

The Group reported a pre-tax profit of RM52.8 million for Q2 FY 2012 which is 187.9% higher than the profit of RM28.1 million reported for Q2 FY2011. The commendable results were attributable to higher sales generated, as well as the contribution of profit before tax of RM21.3 million from Jeco.

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

For the current quarter under review, the Group recorded a profit before tax of RM21.2 million as compared to RM31.6 million in the preceding quarter ended 30 September 2011.

Revenue decreased marginally by 0.5% as compared to last preceding quarter. There was also a decrease in profit mainly due to the decrease in gross profit margin from 61.2% to 57.3% as a result of clearance of stocks during festive season with lower mark-up in addition to the higher operating expenses incurred during the current quarter under review.

**B3. Current Year Prospect**

Malaysia's economic expanded 5.8% in the third quarter of 2011, driven mainly by domestic demand as well as the recovery in the manufacturing sector amidst slower global economic growth. Global economy activity is set to moderate this year amid heightened uncertainties over the pace of recovery in the advanced economies. However, the Malaysian economic is expected to continue to grow in view of the implementation of the 10<sup>th</sup> Malaysian Plan and Economic Transformation Programme initiatives.

Based on the positive economic outlook, the Group will continue to explore new business opportunities locally and overseas. Recently, the Group, through its Singapore subsidiary, was successfully appointed as the master Franchisee for "Renoma Café Gallery" from its Licensor, Renoma S.T.A.R for the territories of Malaysia, Singapore and Indonesia. A first concept "Renoma Café Gallery" will be launched in the mid of 2012.



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**B3. Current Year Prospect (continued)**

On the overseas front, the Group will continue to rebuild its retail base in Vietnam after the fallout with its previous partner. In addition, the Group continues to build up its business in Indonesia after the successful launch of the Group's first exclusive BONIA boutique in Indonesia.

Amidst the Group's business expansion plans aboard, barring any unforeseen circumstances, the Board of Directors is of the view that the Group's performance for the remaining financial year will remain prudent and will continue to grow, albeit at a slower pace.

**B4. Variance of Actual Profit from Forecast Profit**

Not applicable.

**B5. Taxation**

|                                      | <b>Current year<br/>to-date ended<br/>31 Dec 2011<br/>RM'000</b> | <b>Preceding year<br/>to-date ended<br/>31 Dec 2010<br/>RM'000</b> |
|--------------------------------------|--|--|
| Current year tax expense             | 14,202   | 7,860  |
| Under/(Over) provision in prior year | 165  | 916  |
| Deferred tax expense                 | (14)   | (195)  |
|                                      | <u>14,353</u>  | <u>8,581</u>   |

The tax charge for the Group reflects an effective tax rate which is higher than the statutory tax rate due mainly to 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 and/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.



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**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 were as follows:

|                       | 31 Dec 2011                 |                            | 30 June 2011                |                            |
|-----------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
|                       | 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       | 263                         | -                          | 575                         | -                          |
| Bankers' acceptances  | 500                         | -                          | 1,120                       | -                          |
| Hire-purchase & lease | 763                         | 1,315                      | 781                         | 1,312                      |
| Term loans            | 3,563                       | 32,863                     | 2,861                       | 31,614                     |
|                       | <u>5,089</u>                | <u>34,178</u>              | <u>5,337</u>                | <u>32,926</u>              |
| <u>Unsecured</u>      |                             |                            |                             |                            |
| Bank overdrafts       | 1,899                       | -                          | 1,540                       | -                          |
| Bankers' acceptances  | 17,281                      | -                          | 11,401                      | -                          |
| Trust Receipt         | 1,243                       | -                          | 39                          | -                          |
|                       | <u>20,423</u>               | <u>-</u>                   | <u>12,980</u>               | <u>-</u>                   |
| Total                 | <u>25,512</u>               | <u>34,178</u>              | <u>18,317</u>               | <u>32,926</u>              |

The above which included borrowings denominated in foreign currency were as follows:

|                         | 31 Dec 2011           |                    | 30 June 2011          |                    |
|-------------------------|-----------------------|--------------------|-----------------------|--------------------|
|                         | Foreign Currency '000 | RM Equivalent '000 | Foreign Currency '000 | RM Equivalent '000 |
| <u>Singapore Dollar</u> |                       |                    |                       |                    |
| <u>Secured</u>          |                       |                    |                       |                    |
| Term Loan               | 613                   | 1,494              | 624                   | 1,535              |
| Hire-purchase           | 208                   | 506                | 272                   | 669                |
|                         | <u>821</u>            | <u>2,000</u>       | <u>896</u>            | <u>2,204</u>       |
| <u>Unsecured</u>        |                       |                    |                       |                    |
| Trust Receipt           | 510                   | 1,243              | 16                    | 39                 |
| Total                   | <u>1,331</u>          | <u>3,243</u>       | <u>912</u>            | <u>2,243</u>       |



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**B10. Summary of Derivative Financial Instruments**

There are no derivative financial instruments as at the date of issue of this report.

**B11. Realised and Unrealised Profits Disclosure**

The breakdown of the retained profits of the Group as at 31 December 2011, into realised and unrealised profits is prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the context of disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

|  | <b>As at<br/>31 Dec 2011<br/>RM'000</b> | <b>As at<br/>30 June 2011<br/>RM'000</b> |
|--|---|--|
| <b>Total retained profits of Bonia Corporation Berhad and its subsidiaries</b> |   |  |
| - Realised   | 212,714                                 | 176,868                                  |
| - Unrealised   | (312)                                   | (581)                                    |
| <br>Total share of retained profits from associated companies                  |   |  |
| - Realised   | (84)                                    | (130)                                    |
|  | <hr/>                                   | <hr/>                                    |
|  | 212,318                                 | 176,157                                  |
| <b>Less : Consolidation adjustments</b>  |   |  |
|  | (55,417)                                | (48,702)                                 |
|  | <hr/>                                   | <hr/>                                    |
| <b>Total Group retained profits</b>  | <u>156,901</u>                          | <u>127,455</u>                           |





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**B12. Material Litigation**

Further to the announcement on the quarterly results (under Note B12) made on 29 November 2011, the 60% owned subsidiaries of the Company, Apex Marbel Sdn. Bhd. and Mcore Sdn. Bhd. (the Plaintiffs) had on 12 January 2012 re-file the civil suit in the High Court of Malaya at Kuala Lumpur against Mr Leong Tat Yan (“the Defendant”) for the purpose of recovery the sum of RM946,496.37 and RM2,249,751.08 respectively together with the losses and damages suffered by the Plaintiffs.

The above is now pending the service of the Writ of Summons and Statement of Claims on the Defendant.

Saved and except the abovementioned litigation, there is no any other material litigation filed by the Company at the date of this report.

**B13. Dividend**

No interim dividend has been declared for the current quarter under review.

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

**i) Profit for the period (basic)**

|  | Current<br>year quarter<br>31 Dec<br>2011<br>RM'000 | Preceding<br>year quarter<br>31 Dec<br>2010<br>RM'000 | Current<br>year to-date<br>31 Dec<br>2011<br>RM'000 | Preceding<br>year period<br>31 Dec<br>2010<br>RM'000 |
|--|---|---|---|--|
| Profit attributable to owners<br>of the parent | 13,212  | 9,180   | 33,225  | 19,197   |

**ii) Number of ordinary shares (basic)**

|   | Current<br>year quarter<br>31 Dec<br>2011<br>'000 | Preceding<br>year quarter<br>31 Dec<br>2010<br>'000 | Current<br>year to-date<br>31 Dec<br>2011<br>'000 | Preceding<br>year period<br>31 Dec<br>2010<br>'000 |
|---|---|---|---|--|
| Weighted average number of<br>ordinary shares | 201,571   | 201,571   | 201,571   | 201,571  |

By Order of the Board,  
**BONIA CORPORATION BERHAD**

**CHONG CHIN LOOK**  
Group Finance Director  
Kuala Lumpur  
23 February 2012