


**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2014  
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As At 31 Mar 2014 RM'000 (UNAUDITED)	As At 30 Jun 2013 RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	108,282	84,352
Investment properties	87,488	47,132
Intangible assets	71,501	66,467
Investments in associates	658	2
Other investments	1,183	1,168
Deferred tax assets	2,077	1,630
<b>Total non-current assets</b>	<b>271,189</b>	<b>200,751</b>
<b>CURRENT ASSETS</b>		
Inventories	137,831	110,280
Trade and other receivables	96,337	105,384
Current tax assets	1,016	735
Cash and cash equivalents	70,562	75,846
<b>Total current assets</b>	<b>305,746</b>	<b>292,245</b>
<b>TOTAL ASSETS</b>	<b>576,935</b>	<b>492,996</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	100,786	100,786
Reserves	239,027	201,597
Treasury shares	(1,706)	-
<b>Total equity attributable to the owners of the parent</b>	<b>338,107</b>	<b>302,383</b>
<b>Non-controlling Interest</b>	<b>15,155</b>	<b>13,120</b>
<b>Total equity</b>	<b>353,262</b>	<b>315,503</b>
<b>NON-CURRENT LIABILITIES</b>		
Trade and other payables	4,807	5,533
Long term borrowings	92,876	51,564
Provision for restoration costs	773	222
Deferred tax liabilities	7,009	7,284
<b>Total non-current liabilities</b>	<b>105,465</b>	<b>64,603</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	62,392	75,482
Bank borrowings	42,968	29,281
Current tax payables	12,848	8,127
<b>Total current liabilities</b>	<b>118,208</b>	<b>112,890</b>
<b>Total liabilities</b>	<b>223,673</b>	<b>177,493</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>576,935</b>	<b>492,996</b>
	-	-
<b>NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM)</b>	<b>1.68</b>	<b>1.50</b>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013)



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2014**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 Mar 2014 RM'000	Preceding Year Corresponding Quarter 31 Mar 2013 RM'000	Current Year- To-Date 31 Mar 2014 RM'000	Preceding Year Corresponding Period 31 Mar 2013 RM'000
<b>Revenue</b>	<b>171,023</b>	<b>154,032</b>	<b>525,749</b>	<b>477,640</b>
Cost of sales	(65,291)	(56,878)	(203,824)	(188,090)
Gross profit	<b>105,732</b>	<b>97,154</b>	<b>321,925</b>	<b>289,550</b>
Selling and distribution expenses	(56,683)	(48,878)	(156,199)	(143,648)
General and administration expenses	(29,148)	(28,065)	(92,183)	(86,021)
Other operating income	3,217	1,132	6,251	3,711
<b>Profit from operations</b>	<b>23,118</b>	<b>21,343</b>	<b>79,794</b>	<b>63,592</b>
Finance costs	(2,016)	(1,676)	(5,846)	(5,006)
Share of results of associates	-	(1)	(1)	(1)
<b>Profit before tax</b>	<b>21,102</b>	<b>19,666</b>	<b>73,947</b>	<b>58,585</b>
Taxation	(6,124)	(5,859)	(22,509)	(18,751)
<b>Profit for the period</b>	<b>14,978</b>	<b>13,807</b>	<b>51,438</b>	<b>39,834</b>
Other comprehensive income				
Foreign currency exchange differences arising from consolidation	9	(160)	1,688	(138)
<b>Total comprehensive income for the period</b>	<b>14,987</b>	<b>13,647</b>	<b>53,126</b>	<b>39,696</b>
<b>Profit attributable to :</b>				
Owners of the parent	12,983	13,025	46,206	36,070
Non-controlling Interests	1,995	782	5,232	3,764
	<b>14,978</b>	<b>13,807</b>	<b>51,438</b>	<b>39,834</b>
<b>Total comprehensive income attributable to :</b>				
Owners of the parent	12,984	12,893	47,577	35,957
Non-controlling Interests	2,003	754	5,549	3,739
	<b>14,987</b>	<b>13,647</b>	<b>53,126</b>	<b>39,696</b>
Net earnings per share attributable to owners of the parent (Note B14)				
- Basic (sen)	6.44	6.46	22.92	17.89

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013)



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2014**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	----- Attributable to owners of the parent -----							Non-controlling interests RM'000	Total Equity RM'000
	----- Non-Distributable -----				----- Distributable -----				
	Share Capital RM'000	Share Premium RM'000	Available-for-sale Reserve RM'000	Exchange Translation Reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Sub-total RM'000		
<b>At 1 July 2013</b>	100,786	476	(12)	(161)	-	201,294	302,383	13,120	315,503
Profit for the period	-	-	-	-	-	46,206	46,206	5,232	51,438
Foreign currency translations	-	-	-	1,371	-	-	1,371	317	1,688
<b>Total comprehensive income for the period</b>	-	-	-	1,371	-	46,206	47,577	5,549	53,126
Transaction with owners:									
Buy-back of shares	-	-	-	-	(1,706)	-	(1,706)	-	(1,706)
Dividend paid	-	-	-	-	-	(10,079)	(10,079)	-	(10,079)
Change of ownership interest in a subsidiary	-	-	-	-	-	(68)	(68)	(266)	(334)
Dividend paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(3,248)	(3,248)
<b>Total transactions with owners</b>	-	-	-	-	(1,706)	(10,147)	(11,853)	(3,514)	(15,367)
<b>At 31 March 2014</b>	<b>100,786</b>	<b>476</b>	<b>(12)</b>	<b>1,210</b>	<b>(1,706)</b>	<b>237,353</b>	<b>338,107</b>	<b>15,155</b>	<b>353,262</b>
<b>At 1 July 2012</b>	100,786	476	-	127	-	168,009	269,398	14,861	284,259
Profit for the period	-	-	-	-	-	36,070	36,070	3,764	39,834
Foreign currency translations	-	-	-	(113)	-	-	(113)	(25)	(138)
<b>Total comprehensive income for the period</b>	-	-	-	(113)	-	36,070	35,957	3,739	39,696
Transaction with owners:									
Dividend paid	-	-	-	-	-	(8,063)	(8,063)	-	(8,063)
Dividend paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(3,175)	(3,175)
<b>Total transactions with owners</b>	-	-	-	-	-	(8,063)	(8,063)	(3,175)	(11,238)
<b>At 31 March 2013</b>	<b>100,786</b>	<b>476</b>	<b>-</b>	<b>14</b>	<b>-</b>	<b>196,016</b>	<b>297,292</b>	<b>15,425</b>	<b>312,717</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 2013)*



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2014**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	31 Mar 2014 RM'000	31 Mar 2013 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	73,947	58,585
Adjustments for non-cash flow:		
Amortisation of trademarks	1,718	974
Bad debts written off	5	3
Depreciation of property, plant and equipment	15,168	12,974
Gain on disposal of property, plant and equipment	(278)	(98)
Accretion of non-current other payable	604	761
Impairment loss on :-		
- amounts owing by associates	2	2,255
- property, plant and equipment	164	-
Interest expense	2,705	2,454
Interest income	(438)	(385)
Profit received from short term funds	-	(96)
Properties, plant and equipment written off	88	53
Share of loss of associates	1	1
Unrealised loss on foreign currency translations, net	36	23
Operating profit before changes in working capital	93,722	77,504
Changes in working capital		
Net change in current assets	(16,677)	(27,435)
Net change in current liabilities	(15,487)	(5,941)
<b>Cash generated from operations</b>	<b>61,558</b>	<b>44,128</b>
Tax paid	(18,327)	(18,767)
<b>Net cash from operating activities</b>	<b>43,231</b>	<b>25,361</b>
<b>Cash flows (used in)/from investing activities</b>		
Interest received	438	385
Loan/Advances to associates	(2)	(2)
Acquisition of additional shares in subsidiary	(334)	-
Acquisition of associates	(594)	(3)
Proceeds from disposal of property, plant and equipment	373	102
Decrease/(Increase) in fixed deposits pledged to licensed banks	464	845
Purchase of Trademarks	(6,523)	-
Purchase of property, plant and equipment	(23,429)	(23,071)
Purchase of investment properties	(7,205)	(2,522)
Profit received from short term funds	-	96
Net cash used in investing activities	(36,812)	(24,170)
<b>Cash flows (used in)/from financing activities</b>		
Interest paid	(2,705)	(2,454)
Buy-back of shares by the Company	(1,706)	-
Net financing/(repayments) from bank borrowings	7,621	15,756
Dividend paid to owners of the parent	(10,079)	(8,063)
Dividend paid to non-controlling interests	(3,248)	(3,175)
Net cash (used in) / from financing activities	(10,117)	2,064
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(3,698)</b>	<b>3,255</b>
<b>Cash and cash equivalents at beginning of the financial year</b>	<b>71,613</b>	<b>67,277</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(117)</b>	<b>(132)</b>
<b>Cash and cash equivalents at end of the financial year (Note A16)</b>	<b>67,798</b>	<b>70,400</b>

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013)*



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

[Incorporated in Malaysia]

**NOTES TO INTERIM FINANCIAL REPORT**

**31 MARCH 2014**

*(Unaudited)*

**A1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of the Malaysian Financial Reporting Standards (“MFRS”) MFRS 134: “Interim Financial Reporting” and Chapter 9 Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. This Interim Financial Statements also complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standard Board (“IASB”).

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 2013.

The 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 2013.

**A2. Accounting policies**

The significant accounting policies adopted by the Group in this Report are consistent with those adopted in the Audited Financial Statements of the Group for the financial year ended 30 June 2013 except for the adoption of the following new/revised MFRSs, Amendments to MFRSs and Issues Committee Interpretations (“IC Interpretations”) that are effective for financial periods beginning on or after 1 January 2013 :

**(a) Adoption of New/Revised MFRSs, Amendments to MFRSs and IC Interpretations**

**(i) Effective for financial periods beginning on or after 1 January 2013**

MFRS 10	Consolidated Financial Statements	1 January 2013
MFRS 11	Joint Arrangements	1 January 2013
MFRS 12	Disclosure of Interests in Other Entities	1 January 2013
MFRS 13	Fair Value Measurement	1 January 2013
MFRS 119	Employee Benefits (revised)	1 January 2013
MFRS 127	Separate Financial Statements	1 January 2013
MFRS 128	Investments in Associates and Joint Ventures	1 January 2013
Amendments to MFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRSs	Annual Improvements 2009 - 2011 Cycle	1 January 2013
Amendments to MFRS 10, MFRS 11 and MFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities : Transition Guidance	1 January 2013
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface mine	1 January 2013

The adoption of the above standards and amendments to MFRSs and IC Interpretation are not expected to have any significant financial impact on the financial statements of the Group.



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**A2. Accounting policies (continued)**

(b) MFRSs, Amendments to MFRSs and IC Interpretation issued but not yet effective

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

**(i) Amendments effective for financial periods beginning on or after 1 January 2014**

Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 136	Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21	Levies	1 January 2014

**(i) MFRS and Amendments effective for financial periods beginning on or after 1 January 2015**

Mandatory Effective Date of MFRS 9 and Transition Disclosures		1 January 2015
MFRS 9	Financial Instruments	1 January 2015

**A3. 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 2013.

**A4. 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.

**A5. 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.

**A6. Material Changes in Estimates**

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

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**NOTES TO INTERIM FINANCIAL REPORT****31 MARCH 2014***(Unaudited)***A7. Debts and Equity Securities**

During the nine months ended 31 March 2014, the Company had repurchased 507,000 ordinary shares of 50 sen each of its issued share capital from the open market for a consideration of approximately RM1,706,000. The repurchased transaction were financed by internally generated funds. The repurchased shares are held as treasury shares.

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

**A8. Dividend Paid**

No dividend has been paid in the current quarter under review.

**A9. Segment Information**

Business segments

**9 months ended 31 March 2014**

	Retailing RM'000	Manufac- turing RM'000	Investment and property development RM'000	Elimination RM'000	Consolidation RM'000
<b>Revenue</b>					
Revenue from external customers	524,964	283	502	-	525,749
Inter-segment revenue	-	18,323	31,481	(49,804)	-
Total revenue	524,964	18,606	31,983	(49,804)	525,749
<b>Results</b>					
Segment operating profit	83,043	950	2,912	(7,549)	79,356
Share of losses of associates	-	-	(1)	-	(1)
Interest income					438
Finance costs					(5,846)
Profit before tax					73,947
Tax expense					(22,509)
Profit for the financial period					51,438
Attributable to:					
Owners of the parent					46,206
Non-controlling interests					5,232
					51,438



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**A9. Segment Information (continued)**  
Business segments (continued)

**9 months ended 31 March 2013**

	Retailing RM'000	Manufac- turing RM'000	Investment and property development RM'000	Elimination RM'000	Consolidation RM'000
<b>Revenue</b>					
Revenue from external customers	476,421	630	589	-	477,640
Inter-segment revenue	-	22,741	69,830	(92,571)	-
Total revenue	476,421	23,371	70,419	(92,571)	477,640
<b>Results</b>					
Segment operating profit	69,227	1,745	19,213	(26,978)	63,207
Share of losses of associates	-	-	(1)	-	(1)
Interest income					385
Finance costs					(5,006)
Profit before tax					58,585
Tax expense					(18,751)
Profit for the financial period					39,834
Attributable to:					
Owners of the parent					36,070
Non-controlling interests					3,764
					39,834

**A10. 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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**A11. 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.

- (a) Following to the Company's announcement dated 29 May 2012, Bonia Corporation Berhad had on 30 April 2014 executed a Revocation Agreement ("Revocation Agreement") with ESPD, LTF, LTS, TSD, THH, TYM, KLM, OKM, LCH and LYC ("Minority Shareholders") to revoke the Shareholders' Agreement ("SA") dated 29 May 2012 with regards to their relationship as shareholders of Paris RCG Sdn Bhd ("PRCG") ("Revocation").

The rationale and salient feature of the Revocation Agreement is to withdraw all the prevailing terms and conditions governed the conduct of business and affairs of PRCG as stated in the SA. As a result, the conduct of business and the affairs of PRCG are now governed by the Companies Act, 1965 (including any regulations, rules, orders or other statutory instruments made pursuant thereto) and the Memorandum and Articles of Association of PRCG.

- (b) Bonia Corporation Berhad had on 6 May 2014 incorporated a wholly-owned subsidiary in Malaysia known as Podium Retail Sdn Bhd ("PRSB") and the Certificate of Incorporation was received from Suruhanjaya Syarikat Malaysia on 6 May 2014.

PRSB is incorporated with an authorised capital of RM400,000 divided into 400,000 ordinary shares of RM1.00 each, of which 4 ordinary shares have been issued and fully paid-up. The intended principal activity of PRSB is to carry on all kinds of businesses and services in relation to supply, retailing and dealing of fashionable goods, accessories and beauty products.

- (c) Following to the Company's announcement dated 30 April 2014, Paris RCG Sdn Bhd ("PRCG") had on 12 May 2014 received 11 sets of transfer instruments [Form of Transfer of Securities (Form 32A)] from the Minority Shareholders in respect of the disposal of their collective shareholdings of 42% in PRCG for registration ("Disposal of shares by Minority Shareholders").

The execution of the New Shareholders Agreement and the Disposal of shares by Bonia will result a dilution of Bonia's stake-holding in PRCG from 58% to 30% (equivalent to 1,200,000 shares) in the enlarged issued and paid-up share capital of PRCG. Accordingly, PRCG shall cease to be a subsidiary company of Bonia.



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**A12. 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) Dominion Directions Sdn Bhd (“DDSB”), a wholly-owned subsidiary company of Bonia, had on 15 January 2014, further acquired 75,000 ordinary shares of RM1.00 each representing 15% equity interest in New Series Sdn Bhd (a subsidiary of DDSB which in turn is an indirect subsidiary of Bonia) (“NSSB”) from Mr Boonnam Boonnamsap at a total consideration of Ringgit Malaysia Three Hundred Thirty Three Thousand Six Hundred and Eighty (RM333,680.00) only (“Acquisition”).

The Acquisition has resulted an increase of DDSB’s stake-holding in NSSB from 75% to 90% (equivalent to 450,000 shares) in the issued and paid-up share capital of NSSB.

- (b) The dissolution of the indirect associate company namely Guangzhou Yong Yi Leather Fashion Co Ltd (“GY”), a company incorporated in the People’s Republic of China, has been completed.

Prior to the dissolution, GY was a 40%-owned associate company of Guangzhou Jia Li Bao Leather Fashion Co Ltd, which in turn was an indirect wholly-owned subsidiary of Bonia. GY has ceased its business activities and the dissolution is not expected to have any material effects on the earnings or net assets of the Company for the financial year ending 30 June 2014.

**A13. Changes in Contingent Liabilities**

The contingent liabilities of the Company as at 31 March 2014 comprised of corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries amounted to RM288.49 million of which utilised by these subsidiaries amounted to RM139.91 million.

**A14. Capital Commitments**

The amount of capital commitments as at 31 March 2014 is as follows:

	<b>RM’000</b>
Authorised and contracted for:	
Property, plant and equipment:	
- properties under construction	5,906
- others	851
Investment properties under construction	11,173
	<u>17,930</u>



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**A15. 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 Mar 2014 Amount transacted RM'000	31 Mar 2013 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	668	1,155
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	75	86
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	1,961	1,416
4.	Long Bow Manufacturing (S) Pte. Ltd.	<ul style="list-style-type: none"> <li>• Payment of office and warehouse rental</li> </ul>	Note 4	1,043	1,013
5.	Lianbee Marketing (M) Sdn Bhd	<ul style="list-style-type: none"> <li>• Payment of office and warehouse rental</li> </ul>	Note 5	165	-

**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.
5.	Lianbee Marketing (M) Sdn Bhd	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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**A16. Cash and cash equivalents**

	<b>31 March 2014 RM'000</b>	<b>31 March 2013 RM'000</b>
Cash and bank balances	64,261	60,492
Fixed deposits with licensed banks	2,901	4,207
Short term placements with licensed banks	3,400	9,000
Placements with licensed banks	-	27
Bank overdrafts	<u>(2,011)</u>	<u>(2,127)</u>
	68,551	71,599
Less: Fixed deposit pledged	<u>(753)</u>	<u>(1,199)</u>
	<u><u>67,798</u></u>	<u><u>70,400</u></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 9 months financial period ended 31 March 2014 increased by RM48.1 million or 10.1% as compared to the preceding year corresponding period ended 31 March 2013.

The increase in sales of RM48.1 million was driven by better sales contributions from Jeco (Pte) Limited and other licensed brands which contributed 30.0% and 20.1% respectively of the total increase in revenue. Jeco (Pte) Limited had reported better sales derived from its export to Indonesia and boutiques sales in Singapore and Malaysia. The opening of Renoma and Santa Barbara Polo & Racquet Club boutiques have contributed positively to the licensed brands' increase in revenue. The Group's rapid expansion plans in Indonesia and Vietnam had resulted sales generated from these two countries to improve further and contributed 11% and 9% respectively to the total increase of the Group's revenue.

The Group reported a profit before tax of RM73.9 million, which is 26.2% higher than the profit before tax of RM58.6 million reported for preceding year corresponding period.

The commendable results were attributed to higher sales generated as well as better control of operating expenses. During the current financial period, the Group incurred lesser renovation and set up costs in Indonesia and Vietnam as compared to the preceding financial period, whereby the group had incurred higher initial investment due to the Group's rapid expansion plans in Indonesia and Vietnam. For the 9 months under review, the Group had opened 3 new boutiques in Indonesia and 2 boutiques in Vietnam as compared to an opening of 4 boutiques in Indonesia and 10 boutiques in Vietnam for the financial period ended 31 March 2013. As a result, the operating expenses for the quarters under review were increased at a moderate rate of 8.3% as compared to 10.1% increase in revenue.

**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 posted a profit before tax of RM21.1 million as compared to RM31.8 million in the preceding quarter ended 31 December 2013.

As compared to the previous quarter, the Group's revenue for the current quarter under review was lowered by RM15.3 million (8.2%) and in tandem, the profit before tax also lowered by 33.6% amounting to RM10.7 million. The lower contribution was within expectation as the revenue in the previous quarter was substantially boosted by the Christmas festive and year end shopping as well as early shopping for the 2014 Chinese New Year season.

The lowered profit before tax was also partly due to one-time provision for losses of RM1.8 million in relation to the dilution of the Company's equity interest in its subsidiary, Paris RCG Sdn Bhd, from 58% to 30% effective May 2014.



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**B3. Current Year Prospect**

Malaysia's GDP expanded 6.2% in the first quarter of 2014 which was higher than the expected growth rate of 5.8%, as the economic supported by sustained domestic demand and strong recovery in net exports. Domestic demand would remain the key driver of growth, albeit at a more moderate pace. Gradual recovery in advanced economies, particularly the United States and European Union will continue to support manufacturing as well as external trade in Malaysia.

On the growth outlook for this year, Malaysian economy is expected to grow at a steady rate of between 5.0% to 5.5% in 2014, supported by the measures in Budget 2014, driven by stronger exports growth and benefiting from stronger demand as key global economics recover.

Giving the improved economic outlook, the Group's prospects for the remaining financial year are expected to be positive. The Group will strive for continuous improvement to further increase its operational efficiency whilst positioning its businesses and brands for opportunistic growth and recognition. The Group will continue to explore new business opportunities prudently, locally and overseas. For the 9 months under review, the Group added 13 boutiques in Malaysia and Singapore of various brands. Elsewhere in Vietnam and Indonesia, the Group opened 3 new boutiques in Indonesia and 2 new boutiques in Vietnam. These bring the Group's regional retail boutique strength to 149 from 131 previously, an increase of approximately 14%. Ever since the Group securing the distribution rights for Enrico Coveri, an Italian renowned brand, the Group has opened 15 counters in Malaysia to market its wide range of products, ranging from leatherwear, men's and ladies' footwear, accessories and men's apparels

Barring any unforeseen circumstances, the Board of Directors is of the view that the Group's performance for the remaining financial year will remain positive and will continue to grow, albeit at a slower pace, despite the challenges the Group has to face such as the rent and labour costs continue to increase and rising cost of doing business.

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Not applicable.

**B5. Taxation**

	<b>Current year to-date ended 31 Mar 2014 RM'000</b>	<b>Preceding year to-date ended 31 Mar 2013 RM'000</b>
Current year tax expense	21,661	20,209
Under/(Over) provision in prior year	954	(530)
Deferred tax expense	(106)	(928)
	<u>22,509</u>	<u>18,751</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**

Save for those disclosed below, there were no corporate proposals announced but not completed as at the date of this announcement.

On 25 April 2014, the Company made an announcement proposed to undertake the following :

1. bonus issue of up to 201,571,850 new ordinary shares of RM0.50 each in the Company (“Bonia Share(s)”) (“Bonus Share(s)”) to be credited as fully paid-up, on the basis of one (1) Bonus Share for every one (1) existing Bonia Share held by entitled shareholders of Bonia on an entitlement date to be determined later (“Proposed Bonus Issue”);
2. share split involving the subdivision of one (1) Bonia Share (existing and Bonus Shares) into two (2) ordinary shares of RM0.25 in Bonia (“Subdivided Share(s)”) held by the entitled shareholders of Bonia on an entitlement date to be determined later (“Proposed Share Split”); and
3. amendments to the Company’s Memorandum and Articles of Association (“M&A”) to facilitate the implementation of the Proposed Share Split (“Proposed M&A Amendment”).

The Proposed Bonus Issue, the Proposed Share Split and the Proposed M&A Amendment shall collectively be referred to as the “Proposals”.

The Proposals are subject to and conditional upon approvals being obtained from the following :

1. Bursa Securities, for the following :
  - (a) listing of and quotation for the Bonus Shares on the Main Market of Bursa Securities; and
  - (b) the Proposed Share Split and the listing of and quotation for the Subdivided Shares on the Main Market of Bursa Securities;
2. Shareholders of the Company at an extraordinary general meeting to be convened; and
3. Any other relevant parties/authorities, if required.

The Proposals are expected to be completed by the third (3<sup>rd</sup>) quarter of 2014.

On 23 May 2014, the Company made an announcement that Aminvestment Bank Berhad had submitted the applications to Bursa Malaysia Securities Berhad in respect of the Proposals.



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**B9. Group Borrowings**

The total Group borrowings and debts securities were as follows:

	31 Mar 2014		30 June 2013	
	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	52	-	1,207	-
Bankers' acceptances	1,059	-	711	-
Hire-purchase & lease	849	1,073	773	1,507
Term loans	7,007	88,889	6,515	45,833
	<u>8,967</u>	<u>89,962</u>	<u>9,206</u>	<u>47,340</u>
<u>Unsecured</u>				
Bank overdrafts	1,959	-	1,809	-
Bankers' acceptances	20,858	-	14,405	-
Trust Receipt	9,241	-	1,984	-
Term loans	1,943	2,914	1,877	4,224
	<u>34,001</u>	<u>2,914</u>	<u>20,075</u>	<u>4,224</u>
Total	<u>42,968</u>	<u>92,876</u>	<u>29,281</u>	<u>51,564</u>

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

	31 Mar 2014		30 June 2013	
	Foreign Currency '000	RM Equivalent '000	Foreign Currency '000	RM Equivalent '000
<u>Singapore Dollar</u>				
<u>Secured</u>				
Term Loan	558	1,446	577	1,445
Hire-purchase	371	960	394	987
	<u>929</u>	<u>2,406</u>	<u>971</u>	<u>2,432</u>
<u>Unsecured</u>				
Term Loan	1,875	4,857	2,438	6,101
Trust Receipt	3,568	9,241	793	1,985
	<u>5,443</u>	<u>14,098</u>	<u>3,231</u>	<u>8,086</u>
Total	<u>6,372</u>	<u>16,504</u>	<u>4,202</u>	<u>10,518</u>

**B10. Summary of Derivative Financial Instruments**

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

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The breakdown of the retained profits of the Group as at 31 March 2014, 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 31 Mar 2014 RM'000</b>	<b>As at 30 June 2013 RM'000</b>
<b>Total retained profits of Bonia Corporation Berhad and its subsidiaries</b>		
- Realised	273,175	239,612
- Unrealised	439	(36)
Total share of retained profits from associated companies		
- Realised	(341)	(340)
	<hr/> 273,273	<hr/> 239,236
<b>Less : Consolidation adjustments</b>	<hr/> (35,920)	<hr/> (37,942)
<b>Total Group retained profits</b>	<hr/> <hr/> 237,353	<hr/> <hr/> 201,294



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**B12. Material Litigation**

Further to the announcement on the quarterly results (under Note B12) made on 22 November 2013, the civil suit filed in the High Court of Malaya at Kuala Lumpur against Mr Leong Tat Yan (“the Defendant”), by the 60% owned subsidiaries of the Company, Apex Marble Sdn Bhd and Mcore Sdn Bhd (“the Plaintiffs”), the Company filed a notice of appeal on 9 April 2013 against part of the decision of the High Court dated 27 March 2013 in connection with the service of cause papers on the Defendant. The Defendant also filed a notice of appeal against part of the decision of the High Court dated 27 March 2013 in connection with the jurisdiction and forum.

On the hearing date of 8 July 2013, the Court of Appeal allowed the Defendant’s appeal with costs of RM10,000 and the Plaintiffs’ appeal was accordingly be struck out with no order as to costs.

After discussing with their legal advisers, the Plaintiffs (also referred to as “Applicants”) had on 7 August 2013, filed a Notice of Motion in the Federal Court for the following orders:-

- (i) the Applicants be granted leave to appeal to the Federal Court against the whole of the decision of the Court of Appeal given on the 8 July 2013 in Civil Appeal No. W-02(IM)(NCVC)-797-04/2013 pursuant to Sections 96 and 97 of the Courts of Judicature Act, 1964 read with Rules 55, 107 and/or 108 of the Federal Court Rules, 1995 and/or the inherent jurisdiction of the Federal Court.
- (ii) in the event that leave to appeal is granted by the Federal Court, the Applicants be granted leave to file and serve a Notice of Appeal to the Federal Court within 7 days from the date of the order pursuant to Rule 108 of the Federal Court Rules, 1995.
- (iii) the costs of the application filed by the Applicants be costs in the cause.
- (iv) such further or other relief of the Federal Court may deem fit.

The Federal Court had adjourned the hearing for the application for leave to appeal to a further date pending the Grounds of Judgement from the Court of Appeal. The next case management has been fixed on 16 June 2014.

As the application for leave hearing has yet to be heard, the legal advisors are unable to express their opinion as to the quantum of damages receivable.

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



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**B13. Dividend**

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

**B14. Earnings Per Share**

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 year quarter 31 Mar 2014 RM'000	Preceding year quarter 31 Mar 2013 RM'000	Current year to-date 31 Mar 2014 RM'000	Preceding year period 31 Mar 2013 RM'000
Profit attributable to owners of the parent	12,983	13,025	46,206	36,070

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

	Current year quarter 31 Mar 2014 '000	Preceding year quarter 31 Mar 2013 '000	Current year to-date 31 Mar 2014 '000	Preceding year period 31 Mar 2013 '000
Weighted average number of 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  
28 May 2014