BONIA CORPORATION BERHAD (223934-T)
[Incorporated in Malaysia]

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2018
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At 30 Sep 2018 RM'000 (UNAUDITED)	30 Jun 2018 RM'000 (AUDITED)
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	133,015	134,671
Investment properties	21,442	21,442
Intangible assets	85,837	86,254
Investments in associates	331	749
Other investments	1,228	1,222
Deferred tax assets	1,630	1,354
Trade and other receivable	8,871	8,569
Total non-current assets	**252,354**	**254,261**
CURRENT ASSETS		
Inventories	110,711	105,363
Trade and other receivables	71,295	83,236
Current tax assets	3,565	3,521
Short term funds	31,560	27,293
Cash and cash equivalents	77,267	84,029
Total current assets	294,398	303,442
* **Assets of disposal groups classified as held for sale and held for distribution**	118,494	121,020
TOTAL ASSETS	**665,246**	**678,723**
EQUITY AND LIABILITIES		
Share capital	201,572	201,572
Reserves	227,351	239,365
Total equity attributable to the owners of the parent	428,923	440,937
Non-controlling Interests	25,104	25,018
Total equity	**454,027**	**465,955**
NON-CURRENT LIABILITIES		
Long term borrowings	52,677	58,162
Trade and other payables	5,237	4,820
Provision for restoration costs	1,705	1,700
Deferred tax liabilities	6,204	7,400
Total non-current liabilities	**65,823**	**72,082**
CURRENT LIABILITIES		
Trade and other payables	65,364	62,110
Bank borrowings	39,356	38,143
Provision for restoration costs	911	897
Current tax payables	3,602	2,918
Total current liabilities	**109,233**	**104,068**
* **Liabilities of disposal groups classified as held for sale and held for distribution**	36,163	36,618
Total liabilities	**211,219**	**212,768**
TOTAL EQUITY AND LIABILITIES	**665,246**	**678,723**
	-	-
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM) :	**0.53**	**0.55**

* The disposal groups are in respect of the assets and liabilities of CRG Group and Maha Asia Capital Sdn Bhd which are held for distribution to shareholders of the Company and held for sale respectively as disclosed in Note 6 of this interim report.

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report of the Group for the financial year ended 30 June 2018)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2018
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30 Sep 2018 RM'000	Preceding Year Corresponding Quarter 30 Sep 2017 RM'000	Current Year-To-Date 30 Sep 2018 RM'000	Preceding Year Corresponding Period 30 Sep 2017 RM'000
CONTINUING OPERATIONS				
Revenue	**99,185**	**100,356**	**99,185**	**100,356**
Cost of sales	(44,193)	(39,017)	(44,193)	(39,017)
Gross profit	**54,992**	**61,339**	**54,992**	**61,339**
Selling and distribution expenses	(31,539)	(37,549)	(31,539)	(37,549)
General and administration expenses	(22,034)	(20,420)	(22,034)	(20,420)
Other operating income	1,360	1,057	1,360	1,057
Profit from operations	2,779	4,427	2,779	4,427
Finance income	528	527	528	527
Finance costs	(1,193)	(1,339)	(1,193)	(1,339)
Share of profit of an associate, net of tax	2	139	2	139
Profit before tax	**2,116**	**3,754**	**2,116**	**3,754**
Tax expense	(812)	(1,017)	(812)	(1,017)
Profit from continuing operations	**1,304**	**2,737**	**1,304**	**2,737**
Discontinuing operations *				
Profit from discontinuing operations, net of tax	(41)	(1,011)	(41)	(1,011)
Profit for the period	**1,263**	**1,726**	**1,263**	**1,726**
Other comprehensive income, net of tax				
Items that may be reclassified subsequently to profit or loss				
Continuing operations				
Fair value loss on available-for-sale financial assets	-	(7)	-	(7)
Foreign currency translations	(168)	2,084	(168)	2,084
Discontinuing operations				
Foreign currency translations	80	(208)	80	(208)
Total comprehensive income for the period	**1,175**	**3,595**	**1,175**	**3,595**
Profit attributable to :				
Owners of the parent				
- from continuing operations	273	2,330	273	2,330
- from discontinuing operations	(41)	(1,010)	(41)	(1,010)
	232	1,320	232	1,320
Non-controlling Interests				
- from continuing operations	1,031	406	1,031	406
	1,263	**1,726**	**1,263**	1,726
Total comprehensive income attributable to :				
Owners of the parent				
- from continuing operations	(342)	4,390	(342)	4,390
- from discontinuing operations	39	(1,218)	39	(1,218)
Non-controlling Interests				
- from continuing operations	1,478	423	1,478	423
	1,175	**3,595**	**1,175**	**3,595**
Net earnings per share attributable to owners of the parent (Note 26)				
- from continuing operations	0.03	0.29	0.03	0.29
- from discontinuing operations	(0.01)	(0.13)	(0.01)	(0.13)
- Basic (sen)	0.02	0.16	0.02	0.16

* : Pursuant to the corporate proposal as disclosed in Note 6 of this interim report, the disposal groups held for distribution and held for sales are presented as discontinuing operations in line with the requirementts of MFRS 5 *Non-current Assets held for Sale and Discontinued Operations* .

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report of the Group for the financial year ended 30 June 2018)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2018
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

			← Non-distributable		→				
	Share Capital RM'000	Treasury Shares RM'000	Available-for-sale Reserve RM'000	Exchange Translation Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	Total attributable to owners of the parent RM'000	Non-controlling interests RM'000	Total Equity RM'000
At 1 July 2018 (as previously reported)	201,572	(355)	(93)	11,759	184	227,870	440,937	25,018	465,955
Adjustments arising from adoption of MFRS 9	-	-	93	259	-	(11,797)	(11,445)	(1,371)	(12,816)
Adjustments arising from adoption of MFRS 15	-	-	-	-	-	(266)	(266)	(21)	(287)
At 1 July 2018, as adjusted	201,572	(355)	-	12,018	184	215,807	429,226	23,626	452,852
Profit for the financial period	-	-	-	-	-	232	232	1,031	1,263
Foreign currency translations	-	-	-	(535)	-	-	(535)	447	(88)
Total comprehensive income for the period	-	-	-	(535)	-	232	(303)	1,478	1,175
At 30 September 2018	201,572	(355)	-	11,483	184	216,039	428,923	25,104	454,027
At 1 July 2017	201,572	(355)	(65)	13,622	-	218,156	432,930	22,337	455,267
Profit for the financial period	-	-	-	-	-	1,320	1,320	406	1,726
Fair value of available-for-sale financial assets	-	-	(7)	-	-	-	(7)	-	(7)
Foreign currency translations	-	-	-	1,859	-	-	1,859	17	1,876
Total comprehensive income for the period	-	-	(7)	1,859	-	1,320	3,172	423	3,595
At 30 September 2017	201,572	(355)	(72)	15,481	-	219,476	436,102	22,760	458,862

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report of the Group for the financial year ended 30 June 2018)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2018
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	30 Sep 2018 RM'000	30 Sep 2017 RM'000
Cash flows from operating activities		
Profit before tax		
From continuing operations	2,116	3,754
From discontinuing operations	314	(1,103)
	2,430	2,651
Adjustments for non-cash flow:		
Accretion of non-current other payables	-	33
Amortisation of trademarks	343	347
Amortisation of intangible assets	606	646
Bad debts written off	-	3
Depreciation of property, plant and equipment	4,350	4,056
Gain on disposals of property, plant and equipment, net	(91)	(103)
Impairment loss on :-		
- trade and other receivables	1,484	-
Interest expense and profit payment on Islamic financing	1,547	1,713
Interest income & distribution income from short term funds	(593)	(535)
Fair value gain on short term funds	(132)	(25)
Reversal of impairment losses on property, plant and equipment	(12)	-
Property, plant and equipment written off	19	100
Reversal of impairment losses on trade and other receivables	-	(92)
Share of profit of an associate	(2)	(139)
Unwinding of discount on provision for restoration costs	19	-
Unrealised loss/(gain) on foreign exchange, net	(616)	502
Operating profit before changes in working capital	9,352	9,157
Changes in working capital		
Net change in current assets	(2,916)	101
Net change in current liabilities	3,266	(14,808)
Cash generated from/(used in) operations	9,702	(5,550)
Tax paid	(671)	(1,807)
Net cash from/(used in) operating activities	9,031	(7,357)
Cash flows used in investing activities		
Interest received	593	535
Increase in deposits pledged to licensed banks	(18)	-
Placements of short term funds	(4,135)	(26,225)
Proceeds from disposal of property, plant and equipment	105	128
Purchase of property, plant and equipment	(2,171)	(1,376)
Net cash used in investing activities	(5,626)	(26,938)
Cash flows used in financing activities		
Interest paid and profit paid on Islamic financing	(1,547)	(1,713)
Net financing from bank borrowings	(4,852)	(3,787)
Net cash used in financing activities	(6,399)	(5,500)
Net decrease in cash and cash equivalents	**(2,994)**	**(39,795)**
Cash and cash equivalents at beginning of financial year	95,655	114,991
Effects of exchange rate changes on cash and cash equivalents	(668)	1,779
Cash and cash equivalents at end of financial year (Note A17)	91,993	76,975

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report of the Group for the financial year ended 30 June 2018)

1. Basis of Preparation

This Interim Financial Report is 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 Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This Report also complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standard Board ("IASB").

This Report should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 30 June 2018.

The explanatory notes attached to this Report 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 2018.

2. 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 2018 except for the adoption of the following new accounting standards and amendments and interpretation:-

2.1 Adoption of MRFS and Amendments effective for financial periods beginning on or after 1 January 2018

The adoption of the following accounting standards and amendments has no significant impact on the financial statements of the Group except for the adoption of MFRS 9 and MFRS 15.

Title	Effective Date
Amendments to MFRS 1 *Annual Improvements to MFRS Standards 2014 - 2017 Cycle*	1 January 2018
MFRS 15 *Revenue from Contracts with Customers*	1 January 2018
Clarification to MFRS 15	1 January 2018
MFRS 9 *Financial Instruments (IFRS as issued by IASB in July 2014)*	1 January 2018
Amendments to MFRS 2 *Classification and Measurement of Share-based Payment Transactions*	1 January 2018
Amendments to MFRS 128 *Annual Improvements to MFRS Standards 2014 - 2017 Cycle*	1 January 2018
IC Interpretation 22 *Foreign Currency Transactions and Advance Consideration*	1 January 2018
Amendments to MFRS 140 *Transfers of Investment Property*	1 January 2018
Amendments to MFRS 4 *Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts*	See MFRS 4 Paragraphs 46 and 48

2. Accounting Policies (cont'd)

(a) MFRS 9, Financial Instruments

MFRS 9 introduces new requirements for classification and measurement of financial instruments, impairment of financial assets and hedge accounting. MFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early application permitted.

Classification and measurements of financial instruments

Under MFRS 9 financial assets are classified according to the entity's business model for managing the assets and the asset's contractual cash flow charateristics. The new standard contains three principal classification categories for financial assets : measured at amortised cost, fair value through profit or loss ("FVTPL") and fair value through other comprehensive income ("FVOCI").

- Amortised cost - a financial assets is measured at amortised cost if the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Fair value through other comprehensive income - a financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

- Fair value through profit or loss - any financial assets that are not held in one of the two business models mentioned are measured at fair value through profit or loss.

Upon adoption of MFRS 9, the Group has reclassified RM1.23 million of the Group's other investment previously classified as available-for-sale financial assets as financial assets at FVTPL as at 1 July 2018.

MFRS 9 retains most of the MRFS 139 requirements for classification and measurment of financial liabilties. The new requirements only affect the accounting for financial liabilities that are designated at FVTPL.

The Group does not anticipate that the application of the classification and measurement requirement will have a material impact on accounting for its financial liabilities.

Impairment

MFRS 9 replaces the Incurred Loss model in MFRS 139 with a forward-looking Expected Credit Loss ("ECL") model. The ECL model applies to financial assets that are measured at amortised cost or at FVOCI and issued financial guarantee contracts.

The Group uses the Simplified Approach to calculate expected credit loss for trade receivables based on its historical credit loss experience with trade receivables of similar credit risk characteristics, adjusted for forward-looking factors specific to the category of debtors and the economic environment.

In accordance with the transitional provisions of MFRS 9, the Group has elected not to restate comparative figures and has performed assessment on the impact on accounting to its financial assets as at 1 July 2018, of which the effects will be adjusted in the opening balances of the current period.

2. Accounting Policies (cont'd)

(b) MFRS 15, Revenue From Contracts With Customers

MFRS 15 establishes principles for reporting useful information to users of financial statements related to nature, amount, timing and uncertainty of revenue and cashflows arising from an entity's contracts with customers. MFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early application permitted.

The core principle of MFRS 15 is that an enity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the considerations to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying a five – step model as follows:-

1) Identify the contracts with customer;
2) Identify the separate performance obligations;
3) Determine the transaction price;
4) Allocate the transaction price to the performance obligations in the contract ; and
5) Recognise revenue when each performance obligation is satisfied

The Group has assessed its revenue from contracts with customers and the effects of adoption of MFRS 15 arise mainly due to changes in the timing of revenue recognition.

In accordance with the transitional provisions of MFRS 15, the Group has elected to adopt the cumulative effect method, of which the cumulative effect of initially applying this Standard are adjusted to the opening balance of retained earnings as at 1 July 2018.

The financial effects arising from the initial adoption of MFRS 9 and MFRS 15 are as follows :-

	As previously reported as at 1 July 2018 RM'000	Effects of adoption of MFRS 9 RM'000	Effects of adoption of MFRS 15 RM'000	Restated as at 1 July 2018 RM'000
Condensed Consolidated Statement of Financial Position				
Assets				
Deferred tax assets	1,354	59	20	1,433
Trade receivables	55,140	(10,869)	-	44,271
Assets of disposal groups classified as held for sale/held for distribution	121,020	(3,115)	-	117,905
Impact to assets	177,514	(13,925)	20	163,609
Liabilities				
Deferred tax liabilities	7,400	(1,107)	(2)	6,291
Contract liabilities	-	-	307	307
Impact to liabilities	7,400	(1,107)	305	6,598
Equity				
Available-for-sale reserve	(93)	93	-	-
Retained earnings	227,870	(11,797)	(266)	215,807
Exchange translation reserve	11,759	259	-	12,018
Non-controlling interests	25,018	(1,371)	(21)	23,626
Impact to equity	264,554	(12,816)	(287)	251,451

2. Accounting Policies (cont'd)

a. MFRS and Amendments effective for financial periods beginning on or after 1 January 2019

The following are Standards of the MFRS Framework that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been early adopted by the Group and the Company:

Title	Effective Date
MFRS 16 *Leases*	1 January 2019
IC Interpretation 23 *Uncertainty over Income Tax Treatments*	1 January 2019
Amendments to MFRS 128 *Long-term Interests in Associates and Joint Ventures*	1 January 2019
Amendments to MFRS 9 *Prepayment Features with Negative Compensation*	1 January 2019
Amendments to MFRS 3 *Annual Improvements to MFRS Standards 2015 - 2017 Cycle*	1 January 2019
Amendments to MFRS 11 *Annual Improvements to MFRS Standards 2015 - 2017 Cycle*	1 January 2019
Amendments to MFRS 112 *Annual Improvements to MFRS Standards 2015 - 2017 Cycle*	1 January 2019
Amendments to MFRS 123 *Annual Improvements to MFRS Standards 2015 - 2017 Cycle*	1 January 2019
Amendments to MFRS 119 *Plan Amendment, Curtailment or Settlement*	1 January 2019
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
MFRS 17 *Insurance Contracts*	1 January 2021
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for the future financial years.

3. Seasonality or Cyclicality of Interim Operations

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

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

There were no unusual items as a result of their nature, size or incidence that had affected this Interim Financial Report for the financial quarter ended 30 June 2018.

5. Debts and Equity Securities

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

6. Status of Corporate Proposals

6.1 Proposed Listing

During its extraordinary general meeting held on 25 May 2018, the shareholders of the Company had approved the proposed listing of CRG Incorporated Sdn. Bhd. (now known as "CRG Incorporated Berhad", "CRG") and its subsidiaries (collectively, "CRG Group") on the LEAP Market of Bursa Malaysia Securities Berhad ("Bursa Malaysia") (collectively, "Proposed Listing"), subject to the relevant approvals being obtained and the completion of the Proposed Demerger (details of which were set out in the Circular to Shareholders of the Company dated 8 May 2018) that involved a series of transactions as follows:

(i) Capitalisation

To facilitate the capitalisation of part of the dividend declared by CRG and CBM to the Company ("Capitalisation"), CRF and CRL declared RM7,000,000 and RM18,000,000 dividends, respectively to CRG ("Dividend by CRG's Subsidiaries").

Upon completion of the Dividend by CRG's Subsidiaries, CRG declared RM48,000,000 dividend to the Company ("Dividend by CRG").

Concurrently with the Dividend by CRG, CBM declared RM9,999,995 dividend to the Company ("Dividend by CBM").

Both the Dividend by CRG and the Dividend by CBM were to facilitate the Dividend-in-Specie by the Company.

The Dividend by CRG and the Dividend by CBM were substantially settled by way of capitalisation via issuance of 48,000,000 new ordinary shares in CRG ("CRG Shares") and 1,408,450 new ordinary shares in CBM, respectively, to the Company.

The Capitalisation was completed during the financial year ended 30 June 2018.

Upon completion of the Capitalisation, the issued share capital of CRG increased to 68,000,000 comprising 68,000,000 CRG Shares.

(ii) Subdivision

To facilitate the Dividend-in-Specie and to avoid the incidence of odd lots after the implementation of the Dividend-in-Specie, CRG subdivided its then 68,000,000 CRG Shares into 805,651,400 CRG Shares (which equals to the total number of issued shares in the Company, excluding treasury shares). Following the completion of the Subdivision, the issued share capital of CRG is RM68,000,000 comprising 805,651,400 CRG Shares.

The Subdivision was completed during the financial year ended 30 June 2018.

(iii) Conversion

On 13 August 2018, CRG was converted from a private limited company into a public limited company and with that effect, CRG assumed its present name "CRG Incorporated Berhad".

(iv) Dividend-in-Specie

Following the completion of the Capitalisation, Subdivision and Conversion, the Company distributed via a dividend-in-specie, its entire shareholding in CRG and rights to CRG Shares to the entitled shareholders of the Company on the basis of one (1) CRG Shares for every one (1) ordinary share of the Company ("Bonia Shares") held on the entitlement date from its retained earnings ("Dividend-in-Specie"). The Dividend-in-Specie was implemented subsequent to the receipt of approval-in-principle from Bursa Malaysia for the Proposed Listing.

6. Status of Corporate Proposals (cont'd)

6.1 Proposed Listing (cont'd)

(iv) Dividend-in-Specie (cont'd)

For administrative purposes and to avoid certain entitled shareholders holding less than 1 board lot of CRG Shares (i.e. equivalent to 100 Shares), the entitled shareholders who hold less than 1 board lot of Bonia Shares received from the Company cash in lieu of the actual number of CRG Shares that they would otherwise be entitled to receive under the Dividend-in-Specie.

For information purposes, the entire odd lots of CRG Shares from the abovesaid entitled shareholders has been dealt with by the Board of Directors of the Company at its absolute discretion whereby these CRG Shares have been disposed of by the Company in return for equivalent cash consideration that has been paid to the abovesaid entitled shareholders.

Pursuant to the Company's announcement dated 13 November 2018, CRG and its subsidiaries demerged and ceased as subsidiaries of Bonia following the completion of Bonia's Dividend-In-Specie on even date.

On 28 November 2018, CRG successfully listed by way of introduction of its entire issued share capital on the LEAP Market of Bursa Securities.

Accordingly, the assets and liabilities of CRG Group in this Report are classified in the consolidated statement of financial position under assets of disposal group held for distribution and liabilities of disposal group held for distribution. Their financial performance and cash flows are presented separately as discontinuing operations in the consolidated statements of profit or loss, comprehensive income and cash flows

6.2 On 8 May 2018, the Company entered into a conditional share sale agreement with a Director, Mr. Chiang Sang Sem for the disposal of 500,000 ordinary shares in a wholly-owned subsidiary, Maha Asia Capital Sdn. Bhd. ("Maha Asia"), representing 100% equity interest in Maha Asia for a disposal price of RM2,491,000, which is subject to adjustments as mentioned below. On the latest practical date prior to completion of the proposed disposal of Maha Asia ("Cut-Off Date"):

(i) where the total assets (excluding the net book value of Maha Asia's property) of Maha Asia on the Cut-Off Date is higher than that in Maha Asia's management accounts as at 31 March 2018 ("Accounts"), the purchase price shall be increased by that amount of total assets that has been increased and correspondingly in the event the total assets (excluding the net book value of Maha Asia's property) is lower than in the Accounts, the purchase price shall be reduced by the amount; and

(ii) where the total liabilities of Maha Asia on the Cut-Off Date is higher than that in the Accounts, the purchase price shall be reduced by the amount of total liabilities that has been increased and correspondingly in the event the total liabilities is lower than in the Accounts, the purchase price shall be increased by the amount.

As at 31 March 2018, the total assets (excluding the net book value of Maha Asia's property) and total liabilities of Maha Asia is RM1,190,000 and RM24,699,000 respectively. The Company and Mr. Chiang Sang Sem have agreed vide a supplementary letter dated 8 August 2018 to extend the Cut-Off Date for a period of two (2) months to 7 October 2018. Subsequently, the Cut-Off Date was further extended for a period of six (6) months from 7 October 2018 to 7 April 2019 vide another supplementary letter dated 4 October 2018 agreed between the Company and Mr. Chiang Sang Sem.

Accordingly, the assets and liabilities of Maha Asia in this Report are classified in the consolidated statement of financial position under disposal group held for sale and liabilities of disposal group held for sale. Their financial performance and cash flows are presented separately as discontinuing operations in the consolidated statements of profit or loss and other comprehensive income and consolidated statement of cash flows.

Save as disclosed, there were no corporate proposals announced but pending completed as at the date of this Report.

7. Qualification of Preceding Annual Financial Statements

The Company's preceding Audited Financial Statements for the financial year ended 30 June 2018 did not contain any qualification.

8. Achievability of Revenue or Profit Estimate, Forecast, Projection or Internal Targets

No revenue or profit estimate, forecast, projection or internal targets has been issued by the Group previously in any public document.

9. Dividend

The Directors did not declare any interim dividend in respect of the financial quarter ended 30 September 2018.

10. Segmental Information

The Group operates mainly in Malaysia, Singapore, Indonesia and Vietnam. The revenue disclosed in geographical segments is based on the geographical location of customers. Segment assets are based on geographical locations of the assets. The Group's segmental results for the financial period ended 30 September 2018 are as follows:-

	Retailing					Manufac-turing	Investment & property dev'ment	Total continuing operations	Discont'g Operations	Total
1st quarter - 30.09.2018	Malaysia RM'000	Singapore RM'000	Indonesia RM'000	Vietnam RM'000	Other countries RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue										
Total Revenue	57,372	32,972	4,903	761	2,736	5,992	5,684	110,420	23,408	133,828
Inter-segment revenue	-	-	-	-	-	(5,816)	(5,419)	(11,235)	(1,829)	(13,064)
Revenue from external customers	57,372	32,972	4,903	761	2,736	176	265	99,185	21,579	120,764
Results										
Operating profit/(loss)	3,919	1,582	(1,318)	(1,105)	-	(115)	(184)	2,779	603	3,382
Interest income	190	208	5	-	-	-	125	528	65	593
Finance costs	(191)	(112)	(18)	(36)	-	(41)	(795)	(1,193)	(354)	(1,547)
Net finance income/(expense)	(1)	96	(13)	(36)	-	(41)	(670)	(665)	(289)	(954)
Share of profit of an associate	-	-	-	-	-	-	2	2	-	2
Profit/(Loss) before tax	3,918	1,678	(1,331)	(1,141)	-	(156)	(852)	2,116	314	2,430
Segment assets	180,382	104,421	23,259	5,408	-	25,070	203,016	541,556	116,593	658,149
Segment liabilities	26,381	51,943	206	7,520	-	4,679	74,774	165,503	35,626	201,129

10. Segmental Information (cont'd)

1st quarter - 30.09.2017	Retailing Malaysia RM'000	Retailing Singapore RM'000	Retailing Indonesia RM'000	Retailing Vietnam RM'000	Retailing Other countries RM'000	Manufac-turing RM'000	Investment & property developmt RM'000	Total continuing operations RM'000	Discont'g Operations RM'000	Total RM'000
Revenue										
Total Revenue	55,775	30,781	7,598	1,026	4,260	6,681	15,583	121,704	20,794	142,498
Inter-segment revenue	-	-	-	-	-	(6,251)	(15,097)	(21,348)	(2,266)	(23,614)
Revenue from external customers	55,775	30,781	7,598	1,026	4,260	430	486	100,356	18,528	118,884
Results										
Operating profit/(loss)	3,676	848	229	2	-	(45)	(283)	4,427	(737)	3,690
Interest income	141	212	2	-	-	-	172	527	8	535
Finance costs	(205)	(202)	-	(36)	-	(64)	(832)	(1,339)	(374)	(1,713)
Net finance income/(expense)	(64)	10	2	(36)	-	(64)	(660)	(812)	(366)	(1,178)
Share of profit of an associate	-	-	-	-	-	-	139	139	-	139
Porfit/(Loss) before tax	3,612	858	231	(34)	-	(109)	(804)	3,754	(1,103)	2,651
Segment assets	185,760	126,277	24,556	4,008	-	25,909	205,436	571,946	111,402	683,348
Segment liabilities	28,026	63,131	4,895	2,559	-	6,627	80,305	185,543	37,592	223,135

11. Performance Review

11.1 Table 1: Financial review for current financial period vs corresponding last financial period

1Q FY2019 vs1Q FY2018

	Quarter ended 30 September		Increase/(Decrease)	
	2018	2017		
	RM'000	RM'000	RM'000	%
Continuing Operations				
Revenue				
- Retailing				
• Malaysia	57,372	55,775	1,597	2.9
• Singapore	32,972	30,781	2,191	7.1
• Indonesia	4,903	7,598	(2,695)	(35.5)
• Vietnam	761	1,026	(265)	(25.8)
• Other countries	2,736	4,260	(1,524)	(35.8)
Total overseas market	41,372	43,665	(2,293)	(5.3)
- Manufacturing	176	430	(254)	(59.1)
- Investment & property development	265	486	(221)	(45.5)
	99,185	100,356	(1,171)	(1.2)
Operating profit/(loss)				
- Retailing				
• Malaysia	3,919	3,676	243	6.6
• Singapore	1,582	848	734	86.6
• Indonesia	(1,318)	229	(1,547)	(>100.0)
• Vietnam	(1,105)	2	(1,107)	(>100.0)
• Other countries	-	-	-	-
Total overseas market	(841)	1,079	(1,920)	(>100.0)
- Manufacturing	(115)	(45)	(70)	>100.0
- Investment & property development	(184)	(283)	99	(35.0)
	2,779	4,427	(1,648)	(37.2)
Interest income	528	527	1	0.2
Finance costs	(1,193)	(1,339)	146	(10.9)
Share of results of an associate	2	139	(137)	(98.6)
Profit before taxation	2,116	3,754	(1,638)	(43.6)
Taxation	(812)	(1,017)	205	(20.2)
Profit from continuing operations	1,304	2,737	(1,433)	(52.4)
Loss from Discontinuing operations	(41)	(1,011)	970	(95.9)
Profit for the period	1,263	1,726	(463)	(26.8)

	Quarter ended 30 September		Increase/(Decrease)	
	2018	2017		
Discontinuing Operations	RM'000	RM'000	RM'000	%
Revenue	21,579	18,528	3,051	16.5
Operating profit/(loss)	603	(737)	1,340	(>100.0)
Interest income	65	8	57	>100.0
Finance costs	(354)	(374)	20	(5.3)
Profit/(Loss) before tax	314	(1,103)	1,417	(128.5)
Taxation	(355)	92	(447)	(>100.0)
Loss for the period	(41)	(1,011)	970	(95.9)

11. Performance Review (cont'd)

11.1 Table 1: Financial review for current period (cont'd)

1Q FY2019 vs 1Q FY2018 (cont'd)

Continuing Operations

For the current quarter under review, the Group had reclassified sales trade margin from total revenue to cost of sales ("COS") amounting to RM12.46 million due to the adoption of the MFRS15 ("reclassification"), which was previously netted against revenue. Without the said reclassification, the reported total revenue would have been RM86.72 million as compared to RM100.36 million recorded in the previous year corresponding quarter. The revenue decrease by RM13.63 million or 13.6% as compared to last year same quarter mainly attributable to weak retail sentiment in both domestic and overseas market.

The Profit before tax ("PBT") decreased by 43.6% to RM2.12 million mainly due to the lower revenue achieved and additional provision for impairment loss on trade receivables amounting to RM0.78 million.

Retailing

Malaysia (local Market)

The revenue contributed by domestic market decreased by 7.9% to RM51.37 million (without the reclassification) as compared to the previous year corresponding quarter which reported a revenue of RM55.78 million. The decline was mainly due to weak retail sentiment in the domestic market and closing of a number of the non-performing outlets.

The operating profit for the current quarter reported an increase of 6.6% to RM3.92 million as compared to the previous year corresponding quarter of RM3.68 million mainly due to the reduction in operating expenses and favourable result from its consolidation process and closing of certain non-performing outlets.

Overseas Market

The revenue for overall overseas market declined by 20.0% to RM34.91 million (without the reclassification) as compared to the previous year corresponding quarter of RM43.67 million. The sales volume from overseas market dropped significantly, particularly for Indonesia where its revenue dropped by 35.5% to RM4.90 million as a result of its rationalisation process to reduce contribution from consignment counters and focus on boutique operations to build a better brand image. For the export segment, revenue dropped by 35.8% to RM2.74 million due to the lower demand from Kuwait, Cambodia and Myanmar.

The significant decrease in the revenue had resulted an operating loss of RM0.84 million as compared to the previous year corresponding quarter which recorded a profit of RM1.08 million.

Manufacturing

Revenue decreased by 59.1% to RM0.18 million as compared to the previous year corresponding quarter of RM0.43 million mainly due to low spending sentiment in the domestic market.

The operating loss increased by RM0.07 million to RM0.12 million as compared to the corresponding quarter of RM0.05 million due to lower revenue achieved.

Investment and property development

Revenue that derived mainly from rented investment properties decreased by RM0.22 million as compared to the corresponding quarter due to lower tenancy rate.

An improvement of the operating loss by RM0.10 million to RM0.18 million as compared to the corresponding quarter of RM0.28 million was due to the reduction in operating expenses.

11. Performance Review (cont'd)

11.1 Table 1: Financial review for current quarter (cont'd)

Discontinuing Operations

Revenue increased by 5.4% to RM19.53 million (without the reclassification) as compared to the previous year corresponding quarter of RM18.53 million. The increase was mainly due to favourable result from aggressive promotional activities carried out in the domestic market.

The operating profit for the current quarter increased by RM1.34 million to RM0.60 million as compared to corresponding quarter of operating loss of RM0.74 million due to the increase in revenue as well as reduction in operating expenses.

11.2 Table 2: Financial review for current quarter compared with immediate preceding quarter

1Q FY2019 vs 4Q FY2018

	Current Quarter			Preceding Quarter			Increase/(Decrease)	
	Continuing Operations RM'000	Discont'g Operations RM'000	Total RM'000	Continuing Operations RM'000	Discont'g Operations RM'000	Total RM'000	Cont'g operations RM'000	Discont'g operations RM'000
Revenue	99,185	21,579	120,764	110,662	37,657	148,319	(11,477)	(16,078)
Operating profit	2,779	603	3,382	6,562	5,108	11,670	(3,783)	(4,505)
Interest income	528	65	593	543	39	582	(15)	26
Finance costs	(1,193)	(354)	(1,547)	(1,546)	(333)	(1,879)	353	(21)
Share of results of an associate	2	-	2	(23)	-	(23)	25	-
Profit Before Taxation	2,116	314	2,430	5,536	4,814	10,350	(3,420)	(4,500)
Taxation	(812)	(355)	(1,167)	(3,026)	(1,228)	(4,254)	2,214	873
Profit for the period	1,304	(41)	1,263	2,510	3,586	6,096	(1,206)	(3,627)

Continuing Operations

The Group's revenue from continuing operations for the current quarter decreased by 21.6% to RM86.72 million (without the reclassification) as compared to the RM110.66 million recorded in the preceding quarter. The significant decrease was mainly due to higher sales recorded during the Hari Raya festive season in the preceding quarter.

The Group's PBT decreased by 61.7% to RM2.12 million as compared to RM5.54 million in the preceding quarter mainly due to the lower revenue achieved and additional provision for impairment loss on trade receivables of RM0.78 million.

Discontinuing Operations

The revenue from discontinuing operations for the current quarter decreased by 48.1% to RM19.53 million (without the reclassification) as compared to the preceding quarter of RM37.66 million. The significant decrease was mainly due to higher sales recorded during the Hari Raya festive season in the preceding quarter.

As a result of the lower revenue achieved, the PBT declined by 93.5% to RM0.31 million as compared to the preceding quarter of RM4.81 million. In addition, there was a recognition of gain on fair value adjustment on the investment properties amounting to RM3.0 million in the preceding quarter.

12. Prospect

The retail customer has become increasingly more sophisticated. The marketplace has become more difficult, with traditional retailers being challenged by online and omnichannel retailers. The customer is spoilt for choice. The weaker regional currencies will impact costs, but tourists will find our quality products to be of great value. Indirect taxes will continue to affect customer spending patterns. The looming trade war between two super powers will create opportunities in our region, as manufacturers shift production and create jobs and wealth in our region. Malaysia's GDP is forecast to grow further, led by a substantial increase in domestic consumption.

Given this expected scenario, we find our future prospects to be excitingly challenging. In the remaining year, we shall focus on prudent cost management, both at production and operational levels, while investing further in product design, market research, marketing, new platforms and our people. Our new organization structure, organized by brands, will make the Group more focused on customers from the different target groups.

Moving forward with the demerger of the CRG Group, our focus will be on growing Bonia, Braun Buffel, Sembonia and our licensed brands. We expect to further increase our business in Indonesia while expanding into new Middle East states. With these initiatives, we hope to be able to maintain our performance for the remaining year.

13. Valuation of Property, plant and equipment

The values of the Property, plant and equipment have been brought forward without amendment from the previous Audited Financial Statements.

14. Changes in Contingent Liabilities

The contingent liabilities of the Company as at 30 September 2018 comprised of corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries amounted to RM239.08 million of which utilised by these subsidiaries amounted to RM78.69 million.

15. Capital Commitments

The amount of capital commitments as at 30 September 2018 are as follows:

	RM'000
Authorised and contracted for:	
Property, plant and equipment:	
- Others	428

16. Short Term Funds

The short term funds represent investments in money market funds.

17. Cash and Cash equivalents

Continuing operations	30.09.2018 RM'000	30.09.2017 RM'000
Cash and bank balances	67,404	67,323
Fixed deposits with licensed banks	9,863	910
	77,267	68,233
Less : Bank overdrafts	(2,742)	(3,730)
Less : Fixed deposits pledged	(892)	(910)
Add : Cash and cash classified as held for sale/held for distribution	18,360	13,382
	91,993	76,975

The details of the major components on the operating, investing and financing activities of the Group have been included in the Condensed Consolidated Statement of Cash Flows of this report.

Discontinuing operations	30.09.2018 RM'000	30.09.2017 RM'000
Net cash from operating activities	3,021	(3,609)
Net cash from investing activities	869	569
Net cash used in financing activities	(1,165)	(538)
Net increase/ (decrease) in cash and cash equivalent	2,725	(3,578)
Cash and cash equivalent at beginning of financial year	15,639	17,186
Effect of exchange rate changes on cash and cash equivalent	(4)	(226)
	18,360	13,382

18. Taxation

	Current year to-date ended 30.09.2018 RM'000	Preceding year to-date ended 30.09.2017 RM'000
Continuing operations		
Current year tax expense	1,125	1,098
Over provision in prior year	-	(288)
Deferred tax expense	(313)	207
	(812)	1,017
Discontinuing operations		
Current year tax expense	454	275
Over provision in prior year	-	-
Deferred tax expense	(99)	(367)
	355	(92)

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.

19. Share Capital of the Company

Upon the enforcement of the Companies Act 2016 ("CA2016") on 31 January 2017,

- the Company is no longer required to state its authorised capital,
- the Company's share capital is in a no par value regime since 31 January 2017, and
- the Company's share capital is not affected by Section 618 of the CA2016 as there is no amount standing to the credit of the Company's share premium account and capital redemption reserve upon the enforcement of the CA2016.

20 **Recurrent Related Party Transactions ("RRPT")**

20.1 The aggregate value of the RRPT conducted up to 30 September 2018 by the transacting subsidiaries of the Company (collectively, "Bonia Group") with the related parties during the validity period of the existing RRPT mandate obtained on 28 November 2017, are as follows:

No.	Transacting party	Transacting related party	Interested directors, major shareholders and/or persons connected with them	Nature of transactions	Estimated aggregate value during the validity period of the existing RRPT mandate pursuant to Circular to Shareholders dated 27.10.2017 duly approved at the 26th AGM held on 28.11.2017 RM'000	Actual aggregate value transacted from 28.11.2017 up to 30.09.2018 RM'000
1.	Bonia Group	Bonia International Holdings Pte. Ltd.	Chiang Sang Sem and persons connected with him (including their family)	• Payment of *Bonia, Carlo Rino, Sembonia and CR2* trademarks royalties	4,200	1,871
2.	Bonia Group	Long Bow Manufac-turing (S) Pte. Ltd.	Chiang Sang Sem and persons connected with him (including their family); and Chiang Boon Tian (a director of Bonia's subsidiaries) and persons connected with him (including their family)	• Payment of office and warehouse rental	2,200	1,091
3.	Bonia Group	Speciale Eye-wear Sdn. Bhd.	Datuk Chiang Heng Kieng and persons connected with him (including their family)	• Purchase of eyewear	210	141
4.	Bonia Group	Cassardi International Co. Ltd.	Boonnam Boonnamsap (a major shareholder of Bonia's subsidiary) and persons connected with him (including their family)	• Purchase of men's apparels • Payment of *Valentino Rudy* trademark royalty	N/A	67

Note :
RRPT 4 : Falls within the interpretation of Paragraph 10.08(9) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

20.2 The actual value transacted up to 30 September 2018 did not exceed the estimated aggregate value during the validity period of the RRPT mandate obtained on 28 November 2017 by 10% or more.

20.3 Save as disclosed above, there were no other RRPT during the current financial period under review.

21. Group Borrowings

The total Group borrowings and debts securities are as follows:

	30.09.2018			30.09.2017		
Continuing Operations	Short Term Borrowing RM'000	Long Term Borrowing RM'000	Total RM'000	Short Term Borrowing RM'000	Long Term Borrowing RM'000	Total RM'000
Conventional financing facilities - Secured						
Bank overdrafts	-	-	-	-	-	-
Bankers' acceptances	958	-	958	1,487	-	1,487
Revolving Credit	1,200	-	1,200	1,000	-	1,000
Hire-purchase & lease creditors	200	182	382	195	369	564
Term loans	14,613	16,871	31,484	11,303	29,580	40,883
	16,971	17,053	34,024	13,985	29,949	43,934
Islamic financing facilities - Secured						
Term financing-i	5,415	35,624	41,039	6,112	37,955	44,067
	5,415	35,624	41,039	6,112	37,955	44,067
Total secured borrowings	22,386	52,677	75,063	20,097	67,904	88,001
Conventional financing facilities - Unsecured						
Bank overdrafts	2,281	-	2,281	2,235	-	2,235
Bankers' acceptances	9,113	-	9,113	8,338	-	8,338
Revolving Credit	1,000	-	1,000	-	-	-
Trust Receipts	4,008	-	4,008	8,058	-	8,058
	16,402	-	16,402	18,631	-	18,631
Islamic financing facilities - Unsecured						
Bank overdrafts	461	-	461	1,495	-	1,495
Bankers' acceptances	107	-	107	1,286	-	1,286
	568	-	568	2,781	-	2,781
Total unsecured borrowings	16,970		16,970	21,412		21,412
Total	39,356	52,677	92,033	41,509	67,904	109,413

Discontinuing Operations	Short Term Borrowing RM'000	Long Term Borrowing RM'000	Total RM'000	Short Term Borrowing RM'000	Long Term Borrowing RM'000	Total RM'000
Conventional financing facilities - Secured						
Term Loan	11,761	14,987	26,748	2,692	26,806	29,498
Total secured borrowings	11,761	14,987	26,748	2,692	26,806	29,498

21. Group Borrowings (cont'd)

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

As at 30.09.2018	Long Term		Short Term		Total Borrowings	
	Foreign Currency '000	RM Equivalent '000	Foreign Currency '000	RM Equivalent '000	Foreign Currency '000	RM Equivalent '000
Secured						
Singapore Dollar						
Hire-purchase & lease creditors	49	149	24	72	73	221
Trust Receipt	-	-	366	1,109	366	1,109
Term Loan	97	294	875	2,647	972	2,941
	146	443	1,265	3,828	1,411	4,271
Vietnamese Dong						
Term Loan	-	-	11,333,549	2,006	11,333,549	2,006
Unsecured						
Singapore Dollar						
Trust Receipt	-	-	958	2,899	958	2,899
Total		443		8,733		9,176

As at 30.09.2017	Long Term		Short Term		Total Borrowings	
	Foreign Currency '000	RM Equivalent '000	Foreign Currency '000	RM Equivalent '000	Foreign Currency '000	RM Equivalent '000
Secured						
Singapore Dollar						
Hire-purchase & lease creditors	73	227	23	71	96	298
Term Loan	972	3,021	1,167	3,627	2,139	6,648
	1,045	3,248	1,190	3,698	2,235	6,946
Vietnamese Dong						
Term Loan	-	-	8,331,972	1,550	8,331,972	1,550
Unsecured						
Singapore Dollar						
Trust Receipt	-	-	2,391	7,433	2,391	7,433
Rupiah						
Trust Receipt	-	-	1,995,930	625	1,995,930	625
Total		3,248		13,306		16,554

Exchange rates applied	**As at 30.09.2018**	**As at 30.09.2017**
SGD/RM	3.0251	3.1083
VDN100/RM	0.0177	0.0186
IDR100/RM	0.0278	0.0313

21. Group Borrowings (cont'd)

Reconciliation of liabilities from financing activities :

	Hire purchase and lease creditors RM'000	Term loan and financing -i RM'000	Banker acceptances RM'000	Bank overdrafts RM'000	Trust receipts RM'000	Revolving credit RM'000	Total RM'000
At 1 July 2018	421	103,012	9,104	3,139	5,988	2,200	123,864
Cash flow :							
- Net of repayments and drawdowns of borrowings	(44)	(3,832)	1,074	(397)	(2,050)	-	(5,249)
Non-cash flows:							
- Effect of foreign exchange	5	91	-	-	70	-	166
- Recalssified to disposal groups held for sale/held for distribution	-	(26,748)	-	-	-	-	(26,748)
	5	(26,657)	-	-	70	-	(26,582)
At 30 September 2018	**382**	**72,523**	**10,178**	**2,742**	**4,008**	**2,200**	**92,033**

22. Changes in the Composition of the Group

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

On 28 September 2018, a 90% owned dormant subsidiary of the Company, New Series Sdn. Bhd. was placed under members' voluntary winding-up.

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

Save as discussed below, there were no material event subsequent to the end of the interim period current quarter under review up to the date of this report.

(a) The Companies Registry, Hong Kong has published a final notice in the Hong Kong Government Gazette dated 26 October 2018 announcing the completion of the deregistration and dissolution of King Sing Group Limited on 26 October 2018.

(b) On 13 November 2018, CRG and its subsidiaries demerged and ceased as subsidiaries of Bonia following the completion of Bonia's Dividend-In-Specie on event date.

(c) Our former subsidiary, CRG, successfully listed by way of introduction of its entire issued share capital on the LEAP Market of Bursa Securities on 28 November 2018.

24. Earnings Per Share

The basic earnings per ordinary share is calculated by dividing the Group's profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

Profit for the period (basic)

	Current year quarter 30.09.2018 RM'000	Preceding year quarter 30.09.2017 RM'000	Current year to-date 30.09.2018 RM'000	Preceding year period 30.09.2017 RM'000
Profit attributable to equity holders of the parent				
- Continuing operations	273	2,330	273	2,330
- Discontinuing operations	(41)	(1,010)	(41)	(1,010)
	232	1,320	232	1,320

Number of ordinary shares (basic)

	Current year quarter 30.09.2018 RM'000	Preceding year quarter 30.09.2017 RM'000	Current year to-date 30.09.2018 RM'000	Preceding year period 30.09.2017 RM'000
Weighted average number of ordinary shares ('000)	805,651	805,651	805,651	805,651
Basic earnings per share (sen)				
- Continuing operations	0.03	0.29	0.03	0.29
- Discontinuing operations	(0.01)	(0.13)	(0.01)	(0.13)
	0.02	0.16	0.02	0.16

25. Notes to the Condensed Consolidated Statement of Comprehensive Income

25.1 Profit for the period is arrived after charging/(crediting) the following items:

	3 months ended 30.09.2018			3 months ended 30.09.2017		
	Cont'd opearations RM'000	Discont'ing operations RM'000	Total RM'000	Cont'd opearations RM'000	Discont'ding operations RM'000	Total RM'000
Interest income & distribution income from short term funds	(528)	(65)	(593)	(527)	(8)	(535)
Other income including investment income (1)	(1,888)	(576)	(2,464)	(1,584)	(240)	(1,824)
Interest expense	1,193	354	1,547	1,339	374	1,713
Depreciation of property, plant and equipment	3,622	728	4,350	3,363	693	4,056
Amortisation of intangible assets	606	-	606	646	-	646
Amortisation of trademarks	343	-	343	347	-	347
Bad debts written off	-	-	-	3	-	3
Net (reversal of)/provision for trade receivables	775	709	1,484	(92)	-	(92)
Provision for and write off of inventories	-	-	-	-	-	-
(Gain) or loss on disposal of properties, plant and equipment	(90)	(1)	(91)	(102)	(1)	(103)
Loss on disposal of quoted and/or unquoted investments	-	-	-	-	-	-
Net foreign exchange translation (gain) or loss	215	(17)	198	841	2	843
Gain or loss on derivatives (2)	-	-	-	-	-	-
Net provision for and PPE written off	6	1	7	87	13	100

Notes: (1) Including interest income and forex gain.
(2) There were no derivative financial instruments as at the end of the financial quarter under review

25.2 Save as disclosed, the Group does not have other material items that being recognised as profit/loss in the condensed consolidated statement of comprehensive income in this report.

26. Material Litigation

Apex Marble Sdn Bhd and Mcore Sdn Bhd (collectively as "Plaintiffs") vs Leong Tat Yan ("Defendant")

Further to the announcement on the quarterly results (under Note B12) made on 22 November 2013, the Plaintiffs had on 31 October 2016 filed a Writ of Summon and Statement of Claim against the Defendant and served the same on the Defendant on 2 November 2016.

On 21 November 2016, the Defendant filed 2 separate applications for a declaration that the Malaysian Court has no jurisdiction over the Defendant and for consequential relief (Enclosure 10), and for a declaration that the Malaysian Court is not the appropriate forum to try the Plaintiffs' claim and consequently for a stay of proceedings (Enclosure 11).

On 16 December 2016, the Defendant filed 2 separate applications to strike out the Writ of Summons dated 31 October 2016 for lack of authority (Enclosure 20), and for a stay of proceedings pending arbitration (Enclosure 22).

On 25 January 2017, the Defendant withdrew Enclosure 20 with no order as to costs.

On 25 April 2017, the High Court dismissed Enclosures 10 and 11 with costs of RM5,000 for each enclosure.

On 3 May 2017, the Defendant filed 2 appeals against the High Court's decisions on Enclosures 10 and 11 ("Appeals").

On 8 May 2017, the Defendant filed an application to stay the proceedings pending the disposal of the Appeals (Enclosure 43).

On 11 May 2017, the Defendant filed 2 separate applications for an extension of time to file his Defence (Enclosure 47), and to strike out the Writ of Summons for abuse of process (Enclosure 50).

On 23 May 2017, the High Court dismissed Enclosure 43 with costs of RM1,500. The Judge also granted Enclosure 47 with no order as to costs, and directed the Defendant to file his Defence by 23 June 2017. The Defendant also withdrew Enclosure 50, which was accordingly struck out with no order as to costs.

On 22 June 2017, the Defendant filed his Defence and Counterclaim claiming general damages, exemplary damages, and costs for abuse of process. The Plaintiffs filed their Reply and Defence to Counterclaim on 24 July 2017.

On 17 October 2017, the Court of Appeal dismissed the Appeals with costs of RM5,000 for each appeal.

On 5 January 2018, the High Court allowed Enclosure 22 and stayed the suit pending reference of the dispute to arbitration with costs of RM5,000 to follow the outcome of the arbitration.

On 26 January 2018, the Plaintiffs appealed to the Court of Appeal against the High Court's decision on Enclosure 22.

On 26 June 2018, the Court of Appeal allowed the appeal on Enclosure 22 with costs of RM15,000 for the Court of Appeal and High Court proceedings.

On 3 July 2018, the Defendant applied for leave to the Federal Court to appeal against the Court of Appeal's decision on Enclosure 22.

On 20 July 2018, the Plaintiffs filed an application to stay the proceedings pending the disposal of the Federal Court proceedings (Enclosure 7).

On 30 July 2018, the Plaintiffs filed an application for security for costs (Enclosure 13).

On 8 October 2018, the Federal Court allowed Enclosure 7 in full and Enclosure 13 in part.

26. Material Litigation (cont'd)

The Defendant's application for leave to appeal to the Federal Court on Enclosure 22 is fixed for hearing on 19 February 2019.

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

By Order of the Board,
BONIA CORPORATION BERHAD

CHONG CHIN LOOK
Group Finance Director
Kuala Lumpur
29 November 2018