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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2019
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At 30 Jun 2019 RM'000	As At 30 Jun 2018 RM'000 Audited
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	120,081	134,671
Investment properties	50,747	21,442
Intangible assets	83,223	86,254
Interests in associates	531	749
Other investments	1,203	1,222
Deferred tax assets	1,770	1,354
Other receivables	6,310	8,569
Total non-current assets	**263,865**	**254,261**
CURRENT ASSETS		
Inventories	92,878	105,363
Trade and other receivables	70,967	83,236
Current tax assets	3,341	3,521
Other assets	240	-
Short term funds	18,301	27,293
Cash and bank balances	89,169	84,029
Total current assets	274,896	303,442
Assets of disposal groups classified as held for distribution/ held for sale *	-	121,020
TOTAL ASSETS	**538,761**	**678,723**
EQUITY AND LIABILITIES		
Share capital	201,572	201,572
Reserves	171,023	239,365
Total equity attributable to the owners of the parent	372,595	440,937
Non-controlling Interests	19,910	25,018
Total equity	**392,505**	**465,955**
NON-CURRENT LIABILITIES		
Long term borrowings	35,024	58,162
Other payables	5,361	4,820
Provision for restoration costs	1,254	1,700
Deferred tax liabilities	7,505	7,400
Total non-current liabilities	**49,144**	**72,082**
CURRENT LIABILITIES		
Trade and other payables	71,082	62,110
Bank borrowings	21,008	38,143
Provision for restoration costs	1,341	897
Current tax liabilities	3,681	2,918
Total current liabilities	**97,112**	**104,068**
Liabilities of disposal groups classified as held for distribution/ held for sale *	-	36,618
Total liabilities	**146,256**	**212,768**
TOTAL EQUITY AND LIABILITIES	**538,761**	**678,723**
	-	-
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM) :	**0.4713**	**0.5469**

* : As at 30.06.2018, the disposal groups were in respect of the assets and liabilities of CRG Group (the then subsidiaries of Bonia Group) and Maha Asia Capital Sdn Bhd which were 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 Audited Financial Statements of the Group for the financial year ended 30 June 2018)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2019
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30 Jun 2019 RM'000	**Preceding Year Corresponding Quarter 30 Jun 2018 RM'000**	**Current Year-To-Date 30 Jun 2019 RM'000**	**Preceding Year Corresponding Period 30 Jun 2018 RM'000**
CONTINUING OPERATIONS				
Revenue ^	**113,865**	**110,680**	**462,259**	**440,493**
Cost of sales	(54,502)	(45,761)	(212,081)	(172,690)
Gross profit	**59,363**	**64,919**	**250,178**	**267,803**
Selling and distribution expenses	(34,738)	(32,634)	(132,954)	(143,004)
General and administration expenses	(18,182)	(28,099)	(85,091)	(99,151)
Other operating income	5,945	5,378	9,601	10,300
Profit from operations	12,388	9,564	41,734	35,948
Finance income	487	543	1,830	2,086
Finance costs	(1,457)	(1,707)	(4,780)	(6,334)
Share of results of an associate	(7)	(23)	202	430
Profit before tax	**11,411**	**8,377**	**38,986**	**32,130**
Taxation	(3,471)	(3,176)	(15,578)	(11,002)
Profit from continuing operations	**7,940**	**5,201**	**23,408**	**21,128**
Discontinued operations *				
Profit from discontinued operations, net of tax	-	895	(147)	3,772
Profit for the year	**7,940**	**6,096**	**23,261**	**24,900**
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)	-	(28)
Reclassification of exchange translation reserve to profit or loss upon deregistration of a foreign subsidiary	(92)	(177)	(92)	(177)
Foreign currency exchange differences	2,601	(213)	4,138	(1,803)
Gain on revalaution of properties upon transfer from property, plant and equipment to investment properties	2,337	184	2,337	184
Discontinued operations				
Reclassification of exchange translation reserve to profit or loss upon demerger/deregistration of foreign subsidiaries	(50)	(183)	(50)	(183)
Foreign currency exchange differences	50	205	50	(364)
Total comprehensive income for the year	**12,786**	**5,905**	**29,644**	**22,529**
Profit attributable to :				
Owners of the parent				
- from continuing operations	8,473	4,298	18,175	16,013
- from discontinued operations	-	895	(147)	3,772
	8,473	5,193	18,028	19,785
Non-controlling interests				
- from continuing operations	(533)	903	5,233	5,115
	7,940	**6,096**	**23,261**	**24,900**
Total comprehensive income attributable to :				
Owners of the parent				
- from continuing operations	13,467	3,978	24,255	14,853
- from discontinued operations	-	917	(147)	3,225
	13,467	4,895	24,108	18,078
Non-controlling Interests				
- from continuing operations	(681)	1,010	5,536	4,451
	12,786	**5,905**	**29,644**	**22,529**
Net earnings per share attributable to owners of the parent (Note 24)				
Basic (sen)				
- from continuing operations	1.05	0.53	2.26	1.99
- from discontinued operations	-	0.11	(0.02)	0.46
	1.05	0.64	2.24	2.45

^ : As at 1 July 2018, with the adoption of MFRS 15 *Revenue from Contracts with Customers* , the Group recognised the sales trade margin from consignment counters as trade margin expenes, instead of netting against the revenue, as disclosed in Note 11 of this interim report.

* : Pursuant to the corporate proposals as disclosed in Note 6 of this interim report, the disposal groups held for distribution was presented as discontinued operations in line with the requirements 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 Audited Financial Statements of the Group for the financial year ended 30 June 2018)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2019
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 Sub-total 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	306	-	(15,945)	(15,546)	(1,403)	(16,949)
Adjustments arising from adoption of MFRS 15	-	-	-	6	-	(659)	(653)	(156)	(809)
At 1 July 2018 (restated)	201,572	(355)	-	12,071	184	211,266	424,738	23,459	448,197
Profit for the financial year	-	-	-	-	-	18,028	18,028	5,233	23,261
Gain on revaluation of properties upon transfer from property, plant and equipment to investment properties	-	-	-	-	2,337	-	2,337	-	2,337
Reclassification of exchange translation reserve to profit or loss upon deregistration of foreign subsidiaries	-	-	-	(142)	-	-	(142)	-	(142)
Foreign currency translations	-	-	-	3,885	-	-	3,885	303	4,188
Total comprehensive income for the year	-	-	-	3,743	2,337	18,028	24,108	5,536	29,644
Transaction with owners:									
Dividends paid/payable	-	-	-	-	-	(71,947)	(71,947)	-	(71,947)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(9,085)	(9,085)
Repurchase of treasury shares	-	(4,304)	-	-	-	-	(4,304)	-	(4,304)
Total transactions with owners	-	(4,304)	-	-	-	(71,947)	(76,251)	(9,085)	(85,336)
At 30 June 2019	**201,572**	**(4,659)**	**-**	**15,814**	**2,521**	**157,347**	**372,595**	**19,910**	**392,505**
At 1 July 2017	201,572	(355)	(65)	13,622	-	218,156	432,930	22,337	455,267
Profit for the financial year	-	-	-	-	-	19,785	19,785	5,115	24,900
Fair value loss on available-for-sale financial assets	-	-	(28)	-	-	-	(28)	-	(28)
Gain on revalaution of property upon transfer from property, plant and equipment to investment property	-	-	-	-	184	-	184	-	184
Foreign currency translations	-	-	-	(1,503)	-	-	(1,503)	(664)	(2,167)
Reclassification of exchange translation reserve to profit or loss upon deregistration of foreign subsidiaries	-	-	-	(360)	-	-	(360)	-	(360)
Total comprehensive income for the year	-	-	(28)	(1,863)	184	19,785	18,078	4,451	22,529
Transactions with owners:									
Dividends paid	-	-	-	-	-	(10,071)	(10,071)	-	(10,071)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(1,770)	(1,770)
Total transactions with owners	-	-	-	-	-	(10,071)	(10,071)	(1,770)	(11,841)
At 30 June 2018	**201,572**	**(355)**	**(93)**	**11,759**	**184**	**227,870**	**440,937**	**25,018**	**465,955**

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

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2019
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	30 Jun 2019 RM'000	30 Jun 2018 RM'000
Cash flows from operating activities		
Profit before tax		
From continuing operations	38,986	32,130
From discontinued operations	501	6,459
	39,487	38,589
Adjustments for non-cash flow items:		
Accretion of non-current other payables	-	33
Amortisation of trademarks	1,387	1,389
Amortisation of intangible assets	1,079	2,496
Fair value loss on long term investment	28	-
Bad debts written off	17	42
Depreciation of property, plant and equipment	14,376	16,212
Fair value adjustments on investment properties	1,558	(4,306)
Gain on disposals of property, plant and equipment, net	(71)	(274)
Gain on disposals of investment in an associate	-	(1)
Loss/(Gain) on deregistration of foreign subsidiaries	92	(330)
(Reversal of)/Impairment loss on trade and other receivables, net	(2,950)	1,752
Impairment loss on property, plant and equipment	872	1,313
Impairment loss on goodwill	2,671	2,014
Interest expense and profit payment on Islamic financing	4,868	7,058
Interest income & distribution income from short term funds	(1,928)	(2,199)
Fair value gain on short term funds	(342)	(297)
Inventories written off	-	55
Loss on disposal of other investment	2	2
(Reversal of)/provision for potential loss on proposed demerger of CRG Group	(2,868)	4,345
Property, plant and equipment written off	1,626	825
Over provision of restoration cost	(27)	-
Share of profit of an associate	(202)	(430)
Unwinding of discount on provision for restoration costs	196	33
Unrealised (gain)/loss on foreign exchange, net	(837)	2,733
Waiver of debts by a third party	-	(80)
Operating profit before changes in working capital	59,034	70,974
Changes in working capital		
Net change in current assets	15,609	11,733
Net change in current liabilities	6,890	(21,542)
Cash generated from operations	81,533	61,165
Tax (paid)/refunded, net	(14,740)	(12,094)
Net cash from operating activities	66,793	49,071
Cash flow used in investing activities		
Interest received	1,928	2,199
Advances from an associates	(48)	198
Dividend received from an associate	420	360
Decrease in deposits pledged to licensed banks	811	39
Withdrawls/(placements) of short term funds	9,334	(22,054)
Proceeds from disposal of property, plant and equipment	245	1,081
Proceeds from disposal of investment properties	3,600	-
Proceeds from disposal of other investment	8	13
Proceeds from disposal of an associate	-	1
Demerger of subsidiaries, net of cash on demerger	(15,314)	-
Purchase of property, plant and equipment	(8,829)	(11,582)
Net cash used in investing activities	(7,845)	(29,745)
Cash flows used in financing activities		
Interest paid and profit paid on Islamic financing	(4,868)	(7,058)
Dividends paid to owners of the parent	-	(10,071)
Dividends paid to non-controlling interests	(9,085)	(1,770)
Net financing/(repayments) of bank borrowings	(49,945)	(17,554)
Repurchase of own shares	(4,304)	-
Net cash used in financing activities	(68,202)	(36,453)
Net decrease in cash and cash equivalents	(9,254)	(17,127)
Cash and cash equivalents at beginning of financial year	95,655	114,991
Effects of exchange rate changes on cash and cash equivalents	1,226	(2,209)
Cash and cash equivalents at end of financial year (Note 17)	87,627	95,655

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

1. Basis of Preparation

This Interim Financial Report is unaudited and has 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 ("BMSB"). This Report also complied 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 MFRS and Amendments effective for financial years 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 - 2016 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 - 2016 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

(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 years beginning on or after 1 January 2018, with early application permitted.

2. Accounting Policies (cont'd)

(a) MFRS 9, Financial Instruments (cont'd)

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 characteristics. 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 asset is classified and measured at fair value through other comprehensive income if the asset is 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 RM1,203,000 of the Group's other investments previously classified as available-for-sale financial assets as financial assets at FVTPL as at 1 July 2018.

MFRS 9 retains most of the MFRS 139 requirements for classification and measurement of financial liabilities. The new requirements only affects 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 of financial assets

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.

Impairment for other receivables and related parties are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve-month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. At the end of the reporting year, the Group assesses whether there has been a significant increase in credit risk for financial assets by comparing the risk for default occurring over the expected life with the risk of default since initial recognition. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

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 year.

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 cash flows arising from an entity's contracts with customers. MFRS 15 is effective for annual reporting years beginning on or after 1 January 2018, with early application permitted.

The core principle of MFRS 15 is that an entity 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 sales with right to return and additional performance obligation which are yet satisfied as at the end of the financial year.

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 is 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	907	35	2,296
Trade and other receivables	91,805	(14,975)	-	76,830
Other assets	-	-	271	271
Assets of disposal groups classified as held for distribution/held for sale	121,020	(3,115)	-	117,905
Impact to assets	214,179	(17,183)	306	197,302
Liabilities				
Deferred tax liabilities	7,400	(234)	-	7,166
Trade and other payables	66,930	-	1,115	68,045
Impact to liabilities	74,330	(234)	1,115	75,211
Equity				
Available-for-sale reserve	(93)	93	-	-
Retained earnings	227,870	(15,945)	(659)	211,266
Exchange translation reserve	11,759	306	6	12,071
Non-controlling interests	25,018	(1,403)	(156)	23,459
Impact to equity	264,554	(16,949)	(809)	246,796

2. Accounting Policies (cont'd)

2.2 MFRS and Amendments effective for financial years 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
Amendments to MFRS 3 *Definition of a Business*	1 January 2020
Amendments to MFRS 101 and MFRS 108 *Definition of Material*	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 2019.

5. Debts and Equity Securities

As at the end of the quarter under review, the Company had bought back 15,734,400 ordinary shares of its total number of issued shares from the open market at a total consideration of approximately RM4,304,000 (including transaction costs). The bought back transactions were financed by internally generated fund. The shares bought back are held as treasury shares.

6. Status of Corporate Proposals

6.1 Proposed Listing

On 13 November 2018, Bonia completed the distribution of its entire equity interest in CRG Incorporated Berhad ("CRG") to its shareholders via a distribution of Dividend-In-Specie. Following the distribution, CRG and its subsidiaries (collectively, "CRG Group") have demerged and ceased as subsidiaries of Bonia.

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

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 year of two (2) months to 7 October 2018. Subsequently, the Cut-Off Date was extended for a year of six (6) months from 7 October 2018 to 7 April 2019 vide a supplementary letter dated 4 October 2018. Thereafter, the Cut-Off Date was further extended to 7 October 2019 vide another supplementary letter dated 5 April 2019 agreed between the Company and Mr. Chiang Sang Sem.

In the previous quarter, the assets and liabilities of Maha Asia were classified as assets of disposal group classified as held for sale and liabilities of disposal group classified as held for sale in the consolidated statement of financial position. There was a delay and certain conditions precedent for the completion of the conditional share sale agreement were not fulfilled, and therefore the proposal sale transaction is not completed as at 30 June 2019. Accordingly, the Company had performed a reclassification and Maha Asia ceased to be classified as disposal group held for sale in the consolidated statement of financial position in this Report.

6.3 On 27 December 2018, the Company's wholly owned subsidiary company, Luxury Parade Sdn Bhd ("LPSB") entered into 2 Sale and Purchase Agreements with a related party, Future Diversity Sdn Bhd ("FDSB") for the disposal of the following properties ("Properties") to FDSB for a total cash consideration of RM3,600,000 ("Disposal").

(i) Property1 – All that leasehold property held under H.S.(D) 72947 PT No. 3865 Mukim Petaling Daerah Kuala Lumpur Negeri Wilayah Persekutuan KL measuring approximately 178 square metres together with a 6-storey shop/office erected thereon with a postal address of No.3, Jalan 8/146 (also known as Jalan Tasik Selatan 8), Bandar Tasik Selatan, 57000 Kuala Lumpur, and

6. Status of Corporate Proposals (cont'd)

(ii) Property2 - All that leasehold property held under H.S.(D) 72948 PT No. 3866 Mukim Petaling Daerah Kuala Lumpur Negeri Wilayah Persekutuan KL measuring approximately 178 square metres together with a 6-storey shop/office erected thereon with a postal address of No.5, Jalan 8/146 (also known as Jalan Tasik Selatan 8), Bandar Tasik Selatan, 57000 Kuala Lumpur.

The Disposal has completed on 31 May 2019.

Save as disclosed, there were no corporate proposals announced but pending completion 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 have been issued by the Group previously in any public document.

9. Dividend

On 13 November 2018, Bonia completed the distribution of Bonia's entire shareholding in CRG Incorporated Berhad ("CRG") and its rights to CRG's 805,651,400 ordinary shares (equivalent to CRG's then issued share capital of RM68,000,000) by way of dividend-in-specie on the basis of 1 CRG share for every 1 Bonia share held on the Entitlement Date from its retained earnings, to Bonia's Entitled Shareholders as detailed in our Circular to Shareholders in relation to the "Proposed Listing of CRG Incorporated Sdn Bhd and its subsidiaries on the Leap Market of Bursa Malaysia Securities Berhad" dated 8 May 2018 as well as our subsequent announcements to BMSB.

On 29 August 2019, the Board has approved a single tier interim dividend of 0.5 sen per ordinary share, amounting to approximately RM3,947,025 in respect of the financial year ended 30 June 2019, to be paid on 10 October 2019 to shareholders of the Company whose names appear in the Record of Depositors on 18 September 2019.

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 year ended 30 June 2019 are as follows:-

	←		Retailing		→		Management services/ investment holdings/ investment properties			
4th quarter	**Malaysia**	**Singapore**	**Indonesia**	**Vietnam**	**Other countries**	**Manufac-turing**		**Total Continuing Operations**	**Discontinued Operations**	**Total**
- 30.06.2019	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue										
Total revenue	278,351	148,283	24,503	2,994	6,609	18,085	54,379	533,204	37,617	570,821
Inter-segment revenue	-	-	-	-	-	(17,591)	(53,354)	(70,945)	(3,430)	(74,375)
Revenue from external customers	278,351	148,283	24,503	2,994	6,609	494	1,025	462,259	34,187	496,446
Results										
Operating profit/(loss)	28,053	13,475	2,063	(535)	-	228	(1,550)	41,734	687	42,421
Interest income	771	693	12	1	-	14	339	1,830	98	1,928
Finance costs	(930)	(236)	(18)	(99)	-	(67)	(3,430)	(4,780)	(284)	(5,064)
Net finance income/(expense)	(159)	457	(6)	(98)	-	(53)	(3,091)	(2,950)	(186)	(3,136)
Share of profit of an associate	-	-	-	-	-	-	202	202	-	202
Profit/(Loss) before tax	27,894	13,932	2,057	(633)	-	175	(4,439)	38,986	501	39,487
Segment assets	165,559	111,304	23,542	1,359	-	23,255	208,631	533,650	-	533,650
Segment liabilities	26,248	50,222	2,556	5,804	-	1,345	48,895	135,070	-	135,070

10. Segmental Information (cont'd)

	Retailing									
4th quarter	**Malaysia**	**Singapore**	**Indonesia**	**Vietnam**	**Other countries**	**Manufac-turing**	**Management services/ investment holdings/ investment properties**	**Total Continuing Operations**	**Discontinued Operations**	**Total**
- 30.06.2018	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue										
Total Revenue	267,326	125,562	29,345	4,031	12,749	26,800	121,492	587,305	153,814	741,119
Inter-segment revenue	-	-	-	-	-	(26,282)	(120,530)	(146,812)	(38,944)	(185,756)
Revenue from external customers	267,326	125,562	29,345	4,031	12,749	518	962	440,493	114,870	555,363
Results										
Operating profit/(loss)	30,135	7,453	3,170	(918)	-	(111)	(3,781)	35,948	7,136	43,084
Interest income	638	836	8	1	-	-	603	2,086	113	2,199
Finance costs	(885)	(666)	(72)	(109)	-	(253)	(4,349)	(6,334)	(790)	(7,124)
Net finance income/(expense)	(247)	170	(64)	(108)	-	(253)	(3,746)	(4,248)	(677)	(4,925)
Share of profit of an associate	-	-	-	-	-	-	430	430	-	430
Profit/(Loss) before tax	29,888	7,623	3,106	(1,026)	-	(364)	(7,097)	32,130	6,459	38,589
Segment assets	184,980	109,495	27,539	4,383	-	25,059	201,372	552,828	119,136	671,964
Segment liabilities	25,479	51,069	2,440	2,443	-	5,730	78,671	165,832	36,107	201,939

11. Performance Review

11.1 Table 1: Financial review for current quarter

4QFY2019 vs 4QFY2018

	Quarter ended 30 June		Increase/(Decrease)	
	2019	2018		
	RM'000	RM'000	RM'000	%
Continuing Operations				
Revenue				
- Retailing				
• Malaysia	71,721	70,087	1,634	2.3
• Singapore	33,801	27,586	6,215	22.5
• Indonesia	6,914	7,685	(771)	(10)
• Vietnam	487	755	(268)	(35.5)
• Other countries	721	4,513	(3,792)	(84.0)
Total overseas market	41,923	40,539	1,384	3.4
- Manufacturing	4	36	(32)	(88.9)
- Management services/investment holdings/investment properties	217	18	199	>100.0
	113,865	110,680	3,185	2.9
Operating profit/(loss)				
- Retailing				
• Malaysia	6,114	11,032	(4,918)	(44.6)
• Singapore	1,507	(838)	2,345	>100.0
• Indonesia	1,780	2,256	(476)	(21.1)
• Vietnam	1,268	(570)	1,838	>100.0
• Other countries	-	-	-	-
Total overseas market	4,555	848	3,707	>100.0
- Manufacturing	(47)	(61)	14	23.0
- Management services/investment holdings/investment properties	1,766	(2,255)	4,021	>100.0
	12,388	9,564	2,824	29.5
Interest income	487	543	(56)	(10.3)
Finance costs	(1,457)	(1,707)	250	14.6
Share of results of an associate	(7)	(23)	16	69.6
Profit before tax	11,411	8,377	3,034	36.2
Taxation	(3,471)	(3,176)	(295)	(9.3)
Profit from continuing operations	7,940	5,201	2,739	52.7
Profit/(Loss) from discontinued operations	-	895	(895)	(>100.0)
Profit for the year	7,940	6,096	1,844	30.2

11. Performance Review (cont'd)

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

4QFY2019 vs 4QFY2018 (cont'd)

Continuing Operations

In the previous year's corresponding quarter, revenue from consignment counters was recognised net of sales trade margin. During the current quarter, with the adoption of MFRS15 on 1 July 2018, the Group recognised the sales trade margin from consignment counters of RM14.2 million as trade margin expenses (cost of sales) instead of netting off against revenue (collectively, "reclassification"). Without the said reclassification, the Group reported a revenue of RM99.7 million for the current quarter as compared to revenue of RM110.7 million reported in the previous year's corresponding quarter. The decrease in revenue by RM11.0 million or 10.0% was mainly due to lower revenue contribution from the retailing segment.

The retailing segment reported a revenue of RM99.4 million (without the reclassification) for the current quarter as compared to revenue of RM110.6 million reported in the previous year's corresponding quarter. The lower revenue reported by this segment was due to the Group's continuing rationalisation process of closing its non-performing outlets, as well as a weak retail market exacerbated by numerous online market portals.

Revenue from the manufacturing segment recorded slight decrease due to lower sales for the current quarter under review.

Revenue from management services, investment holding and investment properties segment recorded slight increase was mainly due to higher rental income for the current quarter under review.

Despite the decrease in the Group's revenue and fair value loss on the investment properties of RM1.6 million, the Group reported profit before tax ("PBT") of RM11.4 million in the current quarter as compared to the PBT of RM8.4 million reported in the previous year's same quarter. The Group's PBT increased by RM3.0 million was mainly due to the reversal of provision for impairment loss on trade and other receivables amounting to RM1.5 million as well as the reduction in operating cost, particularly staff costs, as a result of its consolidation and rationalisation exercise.

The exceptional high in taxation was mainly due to an under provision in previous years from an oversea subsidiary company amounting to RM0.7 million as well as deferred tax assets have not been recognised for the temporary differences arising from the unutilised tax losses of the loss making subsidiaries.

11.1 Table 2: Financial review for current quarter

4QFY2019 vs 4QFY2018

	Quarter ended 30 June		Increase/(Decrease)	
	2019	2018		
Discontinued Operations	RM'000	RM'000	RM'000	%
Revenue	-	37,640	(37,640)	(100.0)
Operating profit	-	4,087	(4,087)	(100.0)
Interest income	-	40	(40)	(100.0)
Finance costs	-	(173)	173	100.0
Profit before tax	-	3,954	(3,954)	(100.0)
Taxation	-	(1,078)	1,078	100.0
Profit for the year	-	2,876	(2,876)	(100.0)

11. Performance Review (cont'd)

11.1 Table 2: Financial review for current quarter (cont'd)

Discontinued Operations
The discontinued operations revenue and operating profit reported nil for the current quarter was due to the demerger of CRG Group had been completed in the preceding quarter.

11.2 Table 1: Financial review for current financial year YTD vs corresponding last financial year YTD

4QFY2019 YTD vs 4QFY2018 YTD

	Cumulative Year		Increase/(Decrease)	
	Current Year To-date	Preceding Corresponding year		
	RM'000	RM'000	RM'000	%
Continuing Operations				
Revenue				
- Retailing				
• Malaysia	278,351	267,326	11,025	4.1
• Singapore	148,283	125,562	22,721	18.1
• Indonesia	24,503	29,345	(4,842)	(16.5)
• Vietnam	2,994	4,031	(1,037)	(25.7)
• Other countries	6,609	12,749	(6,140)	(48.2)
Total overseas market	182,389	171,687	10,702	6.2
- Manufacturing	494	518	(24)	(4.6)
- Management services/investment holdings/investment properties	1,025	962	63	6.5
	462,259	440,493	21,766	4.9
Operating profit/(loss)				
- Retailing				
• Malaysia	28,053	30,135	(2,082)	(6.9)
• Singapore	13,475	7,453	6,022	80.8
• Indonesia	2,063	3,170	(1,107)	(34.9)
• Vietnam	(535)	(918)	383	41.7
• Other countries	-	-	-	-
Total overseas market	15,003	9,705	5,298	54.6
- Manufacturing	228	(111)	339	>100.0
- Management services/investment holdings/investment properties	(1,550)	(3,781)	2,231	59.0
	41,734	35,948	5,786	16.1
Interest income	1,830	2,086	(256)	(12.3)
Finance costs	(4,780)	(6,334)	1,554	24.5
Share of results of an associate	202	430	(228)	(53.0)
Profit before tax	38,986	32,130	6,856	21.3
Taxation	(15,578)	(11,002)	(4,576)	(41.6)

11. Performance Review (cont'd)

11.2 Table 1: Financial review for current financial year YTD vs corresponding last financial year YTD (cont'd)

4QFY2019 YTD vs 4QFY2018 YTD (cont'd)

	Cumulative Year		Increase/(Decrease)	
	Current Year To-date	Preceding Corresponding Year		
	RM'000	RM'000	RM'000	%
Profit from continuing operations	23,408	21,128	2,280	10.8
Profit/(Loss) from discontinued operations	(147)	3,772	(3,919)	(>100.0)
Profit for the year	23,261	24,900	(1,639)	(6.6)

Continuing Operations
In the previous year's corresponding year, revenue from consignment counters was recognised net of sales trade margin. During the current financial year, with the adoption of MFRS 15 on 1 July 2018, the Group recognised the sales trade margin from consignment counters of RM58.7 million as trade margin expenses (cost of sales) instead of netting off against revenue (collectively, "reclassification"). Without taking into account the said reclassification, the Group reported a revenue of RM403.4 million for the current financial year as compared to a revenue of RM440.5 million reported in the previous year's corresponding year. The revenue decreased by RM37.1 million or 8.4% as compared to the previous year's corresponding year mainly due to lower revenue contribution from the retailing segment.

The retailing segment registered a revenue of RM402.1 million (without the reclassification) for the current financial year as compared to a revenue of RM439.0 million reported in the previous year's corresponding year. The reasons for the lower revenue achieved are primarily due to the Group's continuing rationalisation process of closing its non-performing outlets, as well as a weak retail market exacerbated by numerous online market portals.

Revenue from the manufacturing segment recorded slight decrease due to lower sales for the current financial year.

The management services, investment holding and investment properties segment recorded slight increase in revenue mainly due to increase in rental income for the current financial year under review.

The decrease in the Group's revenue has resulted its gross profit declined by RM17.6 million or 6.6%. Nevertheless, the Group PBT increased by RM6.9 million or 21.3%. This was mainly due to (i) the reversal of provision for potential loss the on the proposed demerger of CRG group amounting to RM2.9 million, (ii) the reversal of provision for impairment loss on trade and other receivables amounting to RM4.0 million, as well as, (iii) the reduction in operating costs, particularly staff costs, as a result of its consolidation and rationalisation exercise to close several non-performing outlets. The Group's PBT had been lowered by three exceptional expenses, (i) the impairment loss on goodwill of RM2.7 million, (ii) the net impairment loss and written off of PPE of RM2.2 million, and (iii) fair value loss on properties of RM1.6 million.

The exceptional high in taxation was mainly due to the under provision in the previous years from an oversea subsidiary company amounting to RM2.3 million as well as deferred tax assets have not been recognised for temporary differences arising from the unutilised tax losses of loss making subsidiaries.

11. Performance Review (cont'd)

11.2 Table 2: Financial review for current financial year YTD vs corresponding last financial year YTD

4QFY2019 YTD vs 4QFY2018 YTD

	Cumulative Year		Increase/(Decrease)	
	Current Year To-date	Preceding Corresponding Year		
Discontinued Operations	RM'000	RM'000	RM'000	%
Revenue	34,187	114,870	(80,683)	(70.2)
Operating profit/(loss)	687	7,136	(6,449)	(90.4)
Interest income	98	113	(15)	(13.3)
Finance costs	(284)	(790)	506	64.1
Profit/(Loss) before tax	501	6,459	(5,958)	(92.2)
Taxation	(648)	(2,687)	2,039	75.9
Profit/(Loss) for the year	(147)	3,772	(3,919)	(>100.0)

Discontinued Operations
The discontinued operations reported a revenue of RM34.2 million (RM31.0 million without the reclassification) and operating profit of RM0.7 million in the current financial year as compared to a revenue of RM114.9 million and operating profit of RM7.1 million reported in the previous year's corresponding year. The significant decrease in revenue and operating profit was mainly due to the demerger of CRG Group during the current financial year, as such only, four and a half months of the CRG Group's results being consolidated in the current financial year.

11. 3 Financial review for current quarter compared with immediate preceding quarter

4QFY2019 vs 3QFY2019

	Current Quarter	Preceding Quarter	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Revenue	113,865	116,928	(3,063)	(2.6)
Operating profit	12,388	6,159	6,229	>100.0
Interest income	487	350	137	39.1
Finance costs	(1,457)	(655)	(802)	(>100.0)
Share of results of an associate	(7)	161	(168)	(>100.0)
Profit before tax	11,411	6,015	5,396	89.7
Taxation	(3,471)	(4,042)	571	14.1
Profit for the year	7,940	1,973	5,967	>100.0

For the quarter under review, the Group registered a revenue of RM113.9 million as compared to the revenue of RM116.9 million reported in the immediate preceding quarter. The Group's revenue decreased by RM3.1 million or 2.6% mainly due to the weak retail market across the region.

Despite the lower revenue achieved, the PBT increased RM5.4 million or 89.7% in the current quarter as compared to the immediate preceding quarter, which was mainly due to the reversal of provision for impairment loss on trade and other receivables amounting to RM1.5 million as well as the reduction in operating cost, particularly staff costs, as a result of its consolidation and rationalisation exercise.

12. Prospect

We expect to face further challenges as the outlook for the global economy remains highly uncertain while the domestic economy may need more time to recover from the effects of the weakened Ringgit, low commodity prices and overall subdued consumer sentiment. We note that the selective consumer spending pattern towards essentials may well continue for the rest of the financial year. The good news is that 2020 is Visit Malaysia Year and that the expected increase in tourist arrivals will be positive for our business.

The Group's consolidation and rationalisation exercise, as well as prudent cost management over the previous years, have had a positive impact on the Group's performance during the financial year. However, under the current highly uncertain retail situation, we will focus more on brand, resource and risk management to improve brand recognition, sustainability and operational efficiency, as well as adopt a more prudent approach towards cash management to ensure long term and sustainable business performance. New initiatives will include investments in the digital environment, including greater presence in social media and digital advertising.

Based on the uncertain retail economy and despite the initiatives taken by the Group, the Board remains cautious of the Group's performance for the rest of the financial period.

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 for the financial year ended 2018.

14. Changes in Contingent Liabilities

The contingent liabilities of the Company as at 30 June 2019 comprised of corporate guarantees given to financial institutions for credit facilities granted to certain subsidiaries amounting to RM223.4 million of which utilised by these subsidiaries amounted to RM57.5 million.

15. Capital Commitments

The total capital commitments as at 30 June 2019 are as follows:

	RM'000
Authorised and contracted for:	
Property, plant and equipment:	
- Others	68

16. Short Term Funds

The short term funds represent investments in money market funds.

17. Cash and Cash equivalents

Continuing operations	30.06.2019 RM'000	30.06.2018 RM'000
Cash and bank balances	78,345	75,204
Fixed deposits with licensed banks	10,824	8,825
	89,169	84,029
Less : Bank overdrafts	(1,479)	(3,139)
Less : Fixed deposits pledged	(63)	(874)
Add : Cash and cash classified as held for distribution /held for sale	-	15,639
	87,627	95,655

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.

Discontinued operations	30.06.2019 RM'000	30.06.2018 RM'000
Net cash from operating activities	890	1,812
Net cash used in investing activities	(150)	(1,326)
Net cash used in financing activities	(894)	(3,552)
(Repayment to)/Advances from continued operations	(11)	1,781
Net decrease in cash and cash equivalent	(165)	(1,285)
Cash and cash equivalent at beginning of financial year	15,639	17,186
Effect of exchange rate changes on cash and cash equivalent	50	(262)
Reclassification to continuing operations	(210)	-
Demerger of subsidiaries	(15,314)	-
	-	15,639

18. Taxation

Continuing operations	Current year to-date ended 30.06.2019 RM'000	Current year to-date ended 30.06.2019 RM'000
Current year tax expense	12,742	11,238
Over provision in prior years	2,264	182
Deferred tax expense	572	(418)
	15,578	11,002
Discontinued operations		
Current year tax expense	680	2,576
Over provision in prior years	-	(26)
Deferred tax expense	(32)	137
	648	2,687

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

	30.06.2019		30.06.2018	
	Number of shares ’000	Amount RM’000	Number of shares ’000	Amount RM’000
Ordinary shares				
Issued and fully paid	806,287	201,572	806,287	201,572

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.

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

20. Recurrent Related Party Transactions ("RRPT")

20.1 Under the existing RRPT mandate obtained on 26.11.2018
Validity period: from 26.11.2018 to the Company's next AGM in November 2019

- The aggregate value of the RRPT conducted by the transacting subsidiaries of the Company (collectively, "Bonia Group") with the related parties during the validity period 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 26.10.2018 duly approved at the 27th AGM held on 26.11.2018 RM'000	Actual aggregate value transacted from 26.11.2018 up to 30.06.2019 RM'000
1.	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 rental	2,000	478
2.	Bonia Group	Speciale Eyewear Sdn. Bhd.	Datuk Chiang Heng Kieng and persons connected with him (including their family)	• Purchase of eyewear	500	126
3.	Bonia Group	Speciale Eyewear Sdn. Bhd.	Datuk Chiang Heng Kieng and persons connected with him (including their family)	• Sell of bags and accessories	200	2
4.	Bonia Group	Bonia International Holdings Pte. Ltd.	Chiang Sang Sem and persons connected with him (including their family)	• Payment of *Bonia, Sembonia, Carlo Rino, and CR2* trademarks royalties	3,000	507
5.	Bonia Group	Bonia International Holdings Pte. Ltd.	Chiang Sang Sem and persons connected with him (including their family)	• Payment of fixed *Carlo Rino, and CR2* trademarks royalties for licensed territories and licensed products	100	-

Notes:

RRPT 4 - Payment of *Carlo Rino*, and *CR2* trademarks royalties from 13 November 2018 onwards be excluded from this report following the demerger of the then indirect transacting subsidiaries under CRG Incorporated Berhad Group from Bonia Group

RRPT 5 - Payment of fixed *Carlo Rino, and CR2* trademarks royalties for licensed territories and licensed products from 13 November 2018 onwards be excluded from this report following the demerger of the then indirect transacting subsidiary ie. CRG Incorporated Berhad from Bonia Group

- The actual value transacted up to 30.06.2019 did not exceed the estimated aggregate value during the validity period of the RRPT mandate obtained on 26.11.2018 by 10% or more.

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

21. Group Borrowings

The total Group borrowings and debts securities are as follows:

	30.06.2019			30.06.2018		
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						
Bankers' acceptances	623	-	623	1,583	-	1,583
Revolving Credit	-	-	-	1,200	-	1,200
Hire-purchase and lease creditors	119	130	249	178	243	421
Term loans	5,350	14,520	19,870	12,098	21,710	33,808
	6,092	14,650	20,742	15,059	21,953	37,012
Islamic financing facilities - Secured						
Term financing-i	1,598	20,374	21,972	6,075	36,209	42,284
Total secured borrowings	7,690	35,024	42,714	21,134	58,162	79,296
Conventional financing facilities - Unsecured						
Bank overdrafts	995	-	995	2,242	-	2,242
Bankers' acceptances	5,096	-	5,096	6,443	-	6,443
Revolving Credit	1,000	-	1,000	1,000	-	1,000
Trust Receipts	5,418	-	5,418	5,988	-	5,988
	12,509	-	12,509	15,673	-	15,673
Islamic financing facilities - Unsecured						
Bank overdrafts	484	-	484	897	-	897
Bankers' acceptances	325	-	325	439	-	439
	809	-	809	1,336	-	1,336
Total unsecured borrowings	13,318	-	13,318	17,009	-	17,009
Total	21,008	35,024	56,032	38,143	58,162	96,305

Discontinued 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	-	-	-	11,748	15,172	26,920
Total secured borrowings	-	-	-	11,748	15,172	26,920
Conventional financing facilities - Unsecured						
Bankers' acceptances	-	-	-	639	-	639
Total unsecured borrowings	-	-	-	639	-	639
Total	-	-	-	12,387	15,172	27,559

21. Group Borrowings (cont'd)

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

As at 30.06.2019						
	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	30	93	25	76	55	169
	30	93	25	76	55	169
Vietnamese Dong						
Term Loan	-	-	2,337,702	414	2,337,702	414
Unsecured						
Singapore Dollar						
Trust Receipt	-	-	1,773	5,418	1,773	5,418
Total		93		5,908		6,001

As at 30.06.2018						
	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	55	164	23	70	78	234
Trust Receipt	-	-	-	-	-	-
Term Loan	97	288	1,167	3,456	1,264	3,744
	152	452	1,190	3,526	1,342	3,978
Vietnamese Dong						
Term Loan	-	-	12,978,051	2,284	12,978,051	2,284
Unsecured						
Singapore Dollar						
Trust Receipt	-	-	1,483	4,394	1,483	4,394
Rupiah						
Trust Receipt	-	-	5,652,206	1,594	5,652,206	1,594
Total		452		11,798		12,250

Exchange rates applied	**As at 30.06.2019**	**As at 30.06.2018**
SGD/RM	3.0563	2.9625
VDN100/RM	0.0177	0.0176
IDR100/RM	0.0293	0.0282

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	76,092	8,465	3,139	5,988	2,200	96,305
Cash flow :							
- Net of repayments and drawdown of borrowings	(179)	(45,401)	(2,421)	(1,660)	(744)	(1,200)	(51,605)
Non-cash flows:							
- Effect of foreign exchange	7	96	-	-	174	-	277
- Reclassification from disposal group	-	11,055	-	-	-	-	11,055
As at 30 June 2019	249	41,842	6,044	1,479	5,418	1,000	56,032

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.

(a) Scarpa Marketing Sdn. Bhd. ceased as direct subsidiary of Bonia following the completion of its member's voluntary winding-up process and dissolution during the quarter under review.

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

Future Classic Sdn. Bhd., a wholly-owned dormant subsidiary of the Company, has been placed under member's voluntary winding-up on 11 July 2019.

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

24. Earnings Per Share

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

Profit for the year (basic)

	Current year quarter 30.06.2019 RM'000	Preceding year quarter 30.06.2018 RM'000	Current year to-date 30.06.2019 RM'000	Preceding year year 30.06.2018 RM'000
Profit attributable to equity holders of the parent				
- Continuing operations	8,473	4,298	18,175	16,013
- Discontinued operations	-	895	(147)	3,772
	8,473	5,193	18,028	19,785

Number of ordinary shares (basic)

	Current year quarter 30.06.2019 RM'000	Preceding year quarter 30.06.2018 RM'000	Current year to-date 30.06.2019 RM'000	Preceding year year 30.06.2018 RM'000
Weighted average number of ordinary shares ('000)	803,644	805,651	803,644	805,651
Basic earnings per share (sen)				
- Continuing operations	1.05	0.53	2.26	1.99
- Discontinued operations	-	0.11	(0.02)	0.46
	1.05	0.64	2.24	2.45

25. Notes to the Condensed Consolidated Statement of Comprehensive Income

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

	12 months ended 30.06.2019			12 months ended 30.06.2018		
	Continuing operations RM'000	Discontinued operations RM'000	Total RM'000	Continuing operations RM'000	Discontinued operations RM'000	Total RM'000
Interest income & distribution income from short term funds	(1,830)	(98)	(1,928)	(2,086)	(113)	(2,199)
Interest expense	4,780	284	5,064	6,334	790	7,124
Depreciation of property, plant and equipment	13,268	1,108	14,376	13,424	2,788	16,212
Amortisation of intangible assets	1,079	-	1,079	2,496	-	2,496
Amortisation of trademarks	1,387	-	1,387	1,389	-	1,389
Fair value loss on other investment	28	-	28	-	-	-
Bad debts written off	17	-	17	42	-	42
Fair value loss/(gain) on investment properties	1,558	-	1,558	(4,306)	-	(4,306)
Net (reversal of)/provision for trade and other receivables	(3,999)	1,049	(2,950)	410	1,342	1,752
Provision for and write off of inventories	-	-	-	-	-	-
(Gain)/loss on disposal of PPE, net	(70)	(1)	(71)	(272)	(2)	(274)
Loss on disposal of quoted/unquoted investments	2	-	2	2	-	2
Gain on foreign exchange	(911)	(64)	(975)	(360)	(73)	(433)
Loss on foreign exchange	838	49	887	3,539	763	4,302
Impairment loss on goodwill	2,671	-	2,671	2,014	-	2,014
Net impairment loss and written off of PPE	2,244	254	2,498	2,123	15	2,138
Reversal of provision for potential loss on proposed demerger of CRG Group	(2,868)	-	(2,868)	4,345	-	4,345

Note: (1) 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).

26. Material Litigation (cont'd)

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

The Defendant's application for leave to appeal to the Federal Court on Enclosure 22 fixed for hearing on 21 November 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 August 2019