

**BONIA CORPORATION BERHAD**

Registration No. 199101013622 (223934-T)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2020		
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
	As At 30 Sep 2020 RM'000 Unaudited	As At 30 Jun 2020 RM'000 Audited
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	109,277	111,556
Right-of-use assets	59,970	66,855
Investment properties	37,393	38,105
Intangible assets	76,594	77,738
Interests in associates	344	449
Other investments	1,164	1,178
Deferred tax assets	1,426	1,241
Other receivables	4,477	4,193
Total non-current assets	290,645	301,315
CURRENT ASSETS		
Inventories	89,645	96,457
Trade and other receivables	59,473	51,369
Current tax assets	2,713	2,193
Cash and bank balances	80,230	77,709
Short term funds	26,326	23,416
Total current assets	258,387	251,144
Non-current assets classified as held for sale	12,310	12,910
TOTAL ASSETS	561,342	565,369
EQUITY AND LIABILITIES		
Share capital	201,572	201,572
Reserves	165,262	164,734
Total equity attributable to the owners of the parent	366,834	366,306
Non-controlling Interests	21,249	20,259
Total equity	388,083	386,565
NON-CURRENT LIABILITIES		
Borrowings	31,003	30,102
Lease liabilities	43,004	45,439
Other payables	4,857	4,888
Provision for restoration costs	1,866	1,678
Deferred tax liabilities	6,467	6,795
Total non-current liabilities	87,197	88,902
CURRENT LIABILITIES		
Trade and other payables	31,216	30,600
Borrowings	8,714	9,301
Contract liabilities	21,698	22,242
Lease liabilities	20,265	24,634
Provision for restoration costs	452	568
Current tax liabilities	3,717	2,557
Total current liabilities	86,062	89,902
Total liabilities	173,259	178,804
TOTAL EQUITY AND LIABILITIES	561,342	565,369
	-	-
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM) :	1.9205	1.8668

(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 2020)


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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2020
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30 Sep 2020 RM'000	Preceding Year Corresponding Quarter 30 Sep 2019 RM'000	Current Year- To-Date 30 Sep 2020 RM'000	Preceding Year Corresponding Period 30 Sep 2019 RM'000
Revenue	78,015	94,110	78,015	94,110
Cost of sales	(36,610)	(40,175)	(36,610)	(40,175)
Gross profit	41,405	53,935	41,405	53,935
Selling and distribution expenses	(21,882)	(29,778)	(21,882)	(29,778)
General and administration expenses	(16,886)	(18,483)	(16,886)	(18,483)
Other operating income	6,403	1,707	6,403	1,707
Profit/(Loss) from operations	9,040	7,381	9,040	7,381
Finance income	278	382	278	382
Finance costs	(1,269)	(1,402)	(1,269)	(1,402)
Share of results of an associate	6	49	6	49
Profit/(Loss) before tax	8,055	6,410	8,055	6,410
Taxation	(1,600)	(1,748)	(1,600)	(1,748)
Profit/(Loss) for the period	6,455	4,662	6,455	4,662
Other comprehensive income, net of tax				
Items that may be reclassified subsequently to profit or loss				
Reclassification of exchange translation reserve to profit or loss upon deregistration of a foreign subsidiary	50	-	50	-
Foreign currency exchange differences	(2,227)	(101)	(2,227)	(101)
Total comprehensive income for the period	4,278	4,561	4,278	4,561
Profit/(Loss) attributable to :				
Owners of the parent	5,362	3,954	5,362	3,954
Non-controlling interests	1,093	708	1,093	708
Total comprehensive income attributable to :	6,455	4,662	6,455	4,662
Owners of the parent	3,288	3,791	3,288	3,791
Non-controlling Interests	990	770	990	770
	4,278	4,561	4,278	4,561
* Net earnings per share attributable to owners of the parent :				
Basic (sen)	2.80	2.00	2.80	2.00

* The computation of net earning per share is based on the weighted average number of ordinary shares after the Share Consolidation completed on 23 December 2019, as disclosed in Note 24 of this Interim Report.

(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 2020)



UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2020
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Non-distributable → Distributable					Total attributable to owners of the parent RM'000	Non- controlling interests RM'000	Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Exchange Translation Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000			
Balance as at 1 July 2020	201,572	(6,100)	14,876	2,521	153,437	366,306	20,259	386,565
Profit for the financial period	-	-	-	-	5,362	5,362	1,093	6,455
Foreign currency translations	-	-	(2,124)	-	-	(2,124)	(103)	(2,227)
Reclassification of exchange translation reserve to profit or loss upon deregistration of a foreign subsidiary	-	-	50	-	-	50	-	50
Total comprehensive income for the period	-	-	(2,074)	-	5,362	3,288	990	4,278
Transaction with owners :								
Repurchase of treasury shares	-	(2,760)	-	-	-	(2,760)	-	(2,760)
Transfer of Reserves	-	-	-	(508)	508	-	-	-
Total transactions with owners	-	(2,760)	-	(508)	508	(2,760)	-	(2,760)
Balance as at 30 September 2020	201,572	(8,860)	12,802	2,013	159,307	366,834	21,249	388,083
Balance as at 1 July 2019 (as previously reported)	201,572	(4,659)	15,196	2,521	161,606	376,236	19,910	396,146
Adjustments arising from adoption of MFRS 16	-	-	-	-	(2,762)	(2,762)	(369)	(3,131)
Balance as at 1 July 2019 (as restated)	201,572	(4,659)	15,196	2,521	158,844	373,474	19,541	393,015
Profit for the financial period	-	-	-	-	3,954	3,954	708	4,662
Foreign currency translations	-	-	(163)	-	-	(163)	62	(101)
Total comprehensive income for the period	-	-	(163)	-	3,954	3,791	770	4,561
Transaction with owners :								
Repurchase of treasury shares	-	(350)	-	-	-	(350)	-	(350)
Total transaction with owners	-	(350)	-	-	-	(350)	-	(350)
Balance as at 30 September 2019	201,572	(5,009)	15,033	2,521	162,798	376,915	20,311	397,226

(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 2020)



UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2020		
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS		
	30 Sep 2020	30 Sep 2019
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	8,055	6,410
Adjustments for :		
Amortisation of intangible assets	101	100
Amortisation of trademarks	345	344
Bad debts written off	1	-
Depreciation of property, plant and equipment	2,767	3,023
Depreciation of right-of-use assets	6,502	7,655
Fair value loss on other investment	7	7
Fair value loss/(gain) on short term funds	1	(6)
Gain on disposals of property, plant and equipment, net	(57)	(13)
Gain on deregistration of a foreign subsidiary	50	-
Gain on reassessments and modifications of leases	(74)	-
Impairment loss on trade and other receivables, net	1,063	554
Interest income and distribution income from short term funds	(278)	(382)
Interest expense and profit payment on Islamic financing	1,187	1,402
Lease concessions	(1,152)	-
Property, plant and equipment written off	206	48
Share of profit of an associate	(6)	(49)
Unwinding of discount on provision for restoration costs	82	-
Unrealised loss/(gain) on foreign exchange, net	260	16
Operating profit before changes in working capital	19,060	19,109
Changes in working capital		
Net change in current assets	(3,952)	(9,458)
Net change in current liabilities	633	(10,499)
Cash generated from/(used in) operations	15,741	(848)
Tax (paid)/refunded, net	(1,454)	(2,031)
Net cash from/(used in) operating activities	14,287	(2,879)
Cash flows from investing activities		
Advances to an associates	-	140
Interest received	278	382
Placements of short term funds	(2,911)	(8,080)
Proceeds from disposal of property, plant and equipment	12	19
Proceeds from disposal of investment property	600	900
Purchase of property, plant and equipment	(797)	(198)
Net cash used in investing activities	(2,818)	(6,837)
Cash flows from financing activities		
Interest paid and profit paid on Islamic financing	(392)	(639)
Net financing/(repayments) of bank borrowings	322	(7,166)
Payments of lease liabilities	(5,982)	-
Repurchase of own shares	(2,760)	(350)
Net cash used in financing activities	(8,812)	(8,155)
Net decrease in cash and cash equivalents	2,657	(17,871)
Cash and cash equivalents at beginning of financial period	77,644	87,627
Effects of exchange rate changes on cash and cash equivalents	(136)	40
Cash and cash equivalents at end of financial period (Note 17)	80,165	69,796

(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 2020)

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**NOTES TO INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2020**

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 2020.

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 2020.

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 2020 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 2020

Title	Effective Date
<i>Amendments to References to the Conceptual Framework in MFRS Standards</i>	1 January 2020
<i>Amendments to MFRS 3 Definition of a Business</i>	1 January 2020
<i>Amendments to MFRS 101 and MFRS 108 Definition of Material</i>	1 January 2020
<i>Amendments to MFRS 9, MFRS 139 and MFRS 7 Interest Rate Benchmark Reform</i>	1 January 2020
<i>Amendments to MFRS 4 Insurance Contract – Extension of the Temporary Exemption from Applying MFRS 9</i>	17 August 2020

The adoption of the above standards and amendments has no significant impact on the financial statements of the Group for the current quarter.

2.2 MFRS and Amendments effective for financial years beginning on or after 1 January 2021

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
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred



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NOTES TO INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2020

2. Accounting Policies (cont'd)

2.2 MFRS and Amendments effective for financial years beginning on or after 1 January 2021 (Cont'd)

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 Cyclicity of Interim Operations

The business operations of the Group are generally dependent on the Malaysia's economy, consumer confidence and Government restrictions and policies on retail operations, 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 quarter under review.

5. Debts and Equity Securities

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

6. Status of Corporate Proposals

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 2020 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 2 October 2020, the Board of Directors declared a single tier interim dividend of 2.00 sen per ordinary share of approximately RM3,814,000 in respect of the financial year ending 30 June 2021, which has been paid out to the entitle shareholders of the Company on 3 November 2020.



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**NOTES TO INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2020**

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 September 2020 are as follows:-

1 st quarter - 30.09.2020	Retailing					Manufacturing RM'000	Investment and property development RM'000	Total RM'000
	Malaysia RM'000	Singapore RM'000	Indonesia RM'000	Vietnam RM'000	Other countries RM'000			
<u>Revenue</u>								
Total revenue	51,394	22,481	2,812	281	778	4,604	10,198	92,548
Inter-segment revenue	-	-	-	-	-	(4,597)	(9,936)	(14,533)
Revenue from external customers	51,394	22,481	2,812	281	778	7	262	78,015
<u>Results</u>								
Operating profit/(loss)	6,304	3,113	(655)	(13)	-	298	(7)	9,040
Finance income	117	117	2	-	-	-	42	278
Finance costs	(790)	(148)	-	-	-	(5)	(326)	(1,269)
Net finance income/(expense)	(673)	(31)	2	-	-	(5)	(284)	(991)
Share of profit of an associate	-	-	-	-	-	-	6	6
Profit/(Loss) before tax	5,631	3,082	(653)	(13)	-	293	(285)	8,055
Segment assets	198,591	115,005	13,257	1,601	-	22,098	206,651	557,203
Segment liabilities	61,290	55,330	869	4,676	-	1,788	39,122	163,075



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**NOTES TO INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2020**

10. Segmental Information (cont'd)

1st quarter - 30.09.2019	Retailing					Manufacturing RM'000	Investment and property development RM'000	Total RM'000
	Malaysia RM'000	Singapore RM'000	Indonesia RM'000	Vietnam RM'000	Other countries RM'000			
<u>Revenue</u>								
Total Revenue	52,632	25,549	13,728	532	1,408	4,092	4,892	102,833
Inter-segment revenue	-	-	-	-	-	(4,063)	(4,660)	(8,723)
Revenue from external customers	52,632	25,549	13,728	532	1,408	29	232	94,110
<u>Results</u>								
Operating profit/(loss)	6,207	1,496	(240)	133	-	14	(229)	7,381
Finance income	295	-	4	-	-	1	82	382
Finance costs	(468)	(348)	-	(18)	-	(2)	(566)	(1,402)
Net finance income/(expense)	(173)	(348)	4	(18)	-	(1)	(484)	(1,020)
Share of profit of an associate	-	-	-	-	-	-	49	49
Profit/(Loss) before tax	6,034	1,148	(236)	115	-	13	(664)	6,410
Segment assets	200,339	132,409	21,027	4,059	-	22,411	211,386	591,631
Segment liabilities	59,355	79,939	1,767	6,122	-	1,354	40,598	189,135


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**NOTES TO INTERIM FINANCIAL REPORT
 FOR THE QUARTER ENDED 30 SEPTEMBER 2020**
11. Performance Review
11.1 Financial review for current quarter
1QFY2021 vs 1QFY2020

	Quarter ended 30 September		Increase/(Decrease)	
	Current Quarter	Preceding Corresponding Quarter		
	RM'000	RM'000	RM'000	%
Revenue				
- Retailing				
• Malaysia	51,394	52,632	(1,238)	(2.4)
• Singapore	22,481	25,549	(3,068)	(12.0)
• Indonesia	2,812	13,728	(10,916)	(79.5)
• Vietnam	281	532	(251)	(47.2)
• Other countries	778	1,408	(630)	(44.7)
	<u>77,746</u>	<u>93,849</u>	<u>(16,103)</u>	<u>(17.2)</u>
- Manufacturing	7	29	(22)	(75.9)
- Investment and property development	262	232	30	12.9
	<u>78,015</u>	<u>94,110</u>	<u>(16,095)</u>	<u>(17.1)</u>
Operating profit/(loss)				
- Retailing				
• Malaysia	6,304	6,207	97	1.6
• Singapore	3,113	1,496	1,617	>100.0
• Indonesia	(655)	(240)	(415)	(>100.0)
• Vietnam	(13)	133	(146)	(>100.0)
• Other countries	-	-	-	-
	<u>8,749</u>	<u>7,596</u>	<u>1,153</u>	<u>15.2</u>
- Manufacturing	298	14	284	>100.0
- Investment and property development	(7)	(229)	222	96.9
	<u>9,040</u>	<u>7,381</u>	<u>1,659</u>	<u>22.5</u>
Finance income	278	382	(104)	(27.2)
Finance costs	(1,269)	(1,402)	133	9.5
Share of results of an associate	6	49	(43)	(87.8)
Profit/(Loss) before tax	8,055	6,410	1,645	25.7
Taxation	(1,600)	(1,748)	148	8.5
Profit/(Loss) for the period	<u>6,455</u>	<u>4,662</u>	<u>1,793</u>	<u>38.5</u>

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**NOTES TO INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2020**

11. Performance Review (cont'd)**11.1 Financial review for current quarter (cont'd)***1QFY2021 vs 1QFY2020 (cont'd)*

The Group registered a revenue of RM78.0 million for the current quarter as compared to a revenue of RM94.1 million recorded in the previous year's corresponding quarter. The revenue decreased by RM16.1 million or about 17.1% was primarily due to the outbreak of novel coronavirus (COVID-19).

The investment and property development segment recorded a minor increase in revenue mainly due to higher rental income received for the current quarter under review.

Despite the decrease in Group's revenue, the Group's profit before tax ("PBT") reported of RM8.1 million in the current quarter as compared to the PBT of RM6.4 million reported in the previous year's corresponding quarter, the PBT increased by RM1.6 million or 25.7% was largely due to the higher profit margin achieved, as well as the reduction of overall operating expenses as a result of proactive measures taken by the Group for the quarter under review.

11.2 Financial review for current quarter compared with immediate preceding quarter*1QFY2021 vs 4QFY2020*

	Current Quarter	Preceding Quarter	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Revenue	78,015	36,470	41,545	>100.0
Operating profit/(loss)	9,040	(7,583)	16,623	>100.0
Finance income	278	383	(105)	(27.4)
Finance costs	(1,269)	(1,476)	207	14.0
Share of results of an associate	6	(102)	108	>100.0
Profit/(Loss) before tax	8,055	(8,778)	16,833	>100.0
Taxation	(1,600)	204	(1,804)	(>100.0)
Profit/(Loss) for the period	6,455	(8,574)	15,029	>100.0

For the current quarter under review, the Group registered a revenue of RM78.0 million and profit before tax of RM8.1 million as compared to the revenue of RM36.5 million and loss before tax of RM8.8 million reported in the immediate preceding quarter. The significant increase in revenue and profit before tax was mainly due to the higher sales demand as a result of the gradually recovered of the domestic economy and reduction of operating expenses of the Group.

12. Prospect

COVID 19 cases are still rising robustly in Malaysia, we expect to face further challenges as the domestic and global economy are remain highly uncertain and overall subdued consumer sentiment. The Group remains prudent in resource management and continues its efforts on brand building to improve brand image and recognition in order to ensure long term and sustainable business performance.

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**NOTES TO INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2020****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 30 June 2020.

14. Changes in Contingent Liabilities

The contingent liabilities of the Company as at 30 September 2020 comprised of corporate guarantees given to financial institutions for credit facilities granted to certain subsidiaries amounting to RM152.1 million of which utilised by these subsidiaries amounted to RM43.6 million.

15. Capital Commitments

The total capital commitments as at 30 September 2020 are as follows:

	RM'000
Authorised and contracted for:	
Property, plant and equipment:	
- Others	<u>237</u>

16. Short Term Funds

The short term funds represent investments in money market funds.

17. Cash and Cash equivalents

	As at 30.09.2020 RM'000	As at 30.09.2019 RM'000
Cash and bank balances	72,596	59,854
Fixed deposits with licensed banks	<u>7,634</u>	<u>11,807</u>
	80,230	71,661
Less : Bank overdrafts	-	(1,802)
Less : Fixed deposits pledged	<u>(65)</u>	<u>(63)</u>
	<u>80,165</u>	<u>69,796</u>

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.

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(Incorporated in Malaysia)**NOTES TO INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2020****18. Taxation**

	Current year to date 30.09.2020 RM'000	Preceding year corresponding period 30.09.2019 RM'000
Current year tax expense	2,078	1,813
Under/(Over) provision in prior years	29	82
Deferred tax expense	(507)	(147)
	<u>1,600</u>	<u>1,748</u>

The tax charge for the Group reflects an effective tax rate which is higher than the statutory tax rate mainly due to certain expenses which are not deductible for tax purposes.

19. Share Capital of the Company

	As at 30.09.2020		As at 30.09.2019	
	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
Ordinary shares				
Issued and fully paid	<u>201,572</u>	<u>201,572</u>	<u>806,287</u>	<u>201,572</u>

20. Recurrent Related Party Transactions (“RRPT”)

The aggregate value of the RRPT conducted by the transacting subsidiaries of the Company (collectively, “Bonia Group”) with the related parties are as follows:

No.	Transacting party	Transacting related party	Interested directors, major shareholders and/or persons connected with them	Nature of transactions	Actual aggregate value transacted from 28.11.2019 up to 30.09.2020 RM'000
1.	Bonia Group	Long Bow Manufacturing (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	488
2.	Bonia Group	Speciale Eyewear Sdn. Bhd.	Datuk Chiang Heng Kieng and persons connected with him (including their family)	• Purchase of eyewear	84
3.	Bonia Group	Speciale Eyewear Sdn. Bhd.	Datuk Chiang Heng Kieng and persons connected with him (including their family)	• Sell of bags and accessories	6
4.	Bonia Group	Speciale Eyewear Sdn. Bhd.	Datuk Chiang Heng Kieng and persons connected with him (including their family)	• Receive of rental income	24
5.	Bonia Group	Bonia International Holdings Pte. Ltd.	Chiang Sang Sem and persons connected with him (including their family)	• Payment of <i>Bonia and Sembonia</i> trademarks royalties	466

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



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21. Group Borrowings

The total Group borrowings and debts securities are as follows:

	As at 30.09.2020			As at 30.09.2019		
	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
<i>Conventional financing facilities - Secured</i>						
Bankers' acceptances	1,709	-	1,709	623	-	623
Hire-purchase and lease creditors	-	-	-	206	101	307
Term loans	607	12,201	12,808	831	14,297	15,128
	2,316	12,201	14,517	1,660	14,398	16,058
<i>Islamic financing facilities - Secured</i>						
Term financing-i	1,297	18,037	19,334	1,610	19,998	21,608
Total secured borrowings	3,613	30,238	33,851	3,270	34,396	37,666
<i>Conventional financing facilities - Unsecured</i>						
Bank overdrafts	-	-	-	1,331	-	1,331
Bankers' acceptances	1,867	-	1,867	1,794	-	1,794
Revolving credit	-	-	-	1,000	-	1,000
Trust receipts	2,853	-	2,853	6,190	-	6,190
Term loan	381	765	1,146	-	-	-
	5,101	765	5,866	10,315	-	10,315
<i>Islamic financing facilities - Unsecured</i>						
Bank overdrafts	-	-	-	471	-	471
Bankers' acceptances	-	-	-	699	-	699
	-	-	-	1,170	-	1,170
Total unsecured borrowings	5,101	765	5,866	11,485	-	11,485
Total borrowings	8,714	31,003	39,717	14,755	34,396	49,151

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

	As at 30.09.20					
	Short Term		Long Term		Total Borrowings	
	Foreign Currency '000	RM Equivalent '000	Foreign Currency '000	RM Equivalent '000	Foreign Currency '000	RM Equivalent '000
<i>Secured (Singapore Dollar)</i>						
Hire-purchase and lease creditors	-	-	-	-	-	-
Total	-	-	-	-	-	-
<i>Unsecured (Singapore Dollar)</i>						
Trust Receipt	941	2,853	-	-	941	2,853
Term Loan	126	381	252	765	378	1,146
Total	1,067	3,234	252	765	1,319	3,999



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21. Group Borrowings (cont'd)

	As at 30.09.2019					
	Short Term		Long Term		Total Borrowings	
	Foreign Currency '000	RM Equivalent '000	Foreign Currency '000	RM Equivalent '000	Foreign Currency '000	RM Equivalent '000
<i>Secured</i>						
<i>Singapore Dollar</i>						
Hire-purchase & lease creditors	23	69	27	82	50	151
Total	23	69	27	82	50	151
<i>Unsecured</i>						
<i>Singapore Dollar</i>						
Trust Receipt	2,043	6,190	-	-	2,043	6,190
Total	2,043	6,190	-	-	2,043	6,190

<u>Exchange rates applied</u>	As at 30.09.2020	As at 30.09.2019
SGD/RM	3.0334	3.0304
VDN100/RM	0.0179	0.0181
IDR100/RM	0.0279	0.0295

Reconciliation of liabilities from financing activities:

	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 2020	32,006	5,717	-	680	1,000	39,403
Cash flows :						
- Net of repayments and drawdown of borrowings	1,282	(2,141)	-	2,181	(1,000)	322
Non-cash flows :						
- Effect of foreign exchange	-	-	-	(8)	-	(8)
At 30 September 2020	33,288	3,576	-	2,853	-	39,717

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) SBLS Pte. Ltd. has completed its striking off process;
- (b) Serene Glow Sdn Bhd ("SGSB") has commenced its striking off process; and
- (c) Casa Bologna Sdn. Bhd. ("CBSB") has emerged as a 65%-owned subsidiary of the Company.

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**NOTES TO INTERIM FINANCIAL REPORT
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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 was computed by dividing the Group's profit for the financial period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial period.

	Current quarter 30.09.2020 RM'000	Preceding corresponding quarter 30.09.2019 RM'000	Current year to date 30.09.2020 RM'000	Preceding corresponding Period 30.09.2019 RM'000
<i>Profit for the year (basic)</i>				
Profit attributable to equity holders of the parent	5,362	3,954	5,362	3,954
<i>Number of ordinary shares (basic)</i>				
Weighted average number of ordinary shares ('000) *	191,519	197,420	191,519	197,420
Basic earnings per share (sen)	2.80	2.00	2.80	2.00

Note:

* The weighted average number of ordinary shares was being adjusted following the completion of the Share Consolidation on 23 December 2019.

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

	3 Months ended 30.09.2020 Total RM'000	3 Months ended 30.09.2019 Total RM'000
Amortisation of intangible assets	101	100
Amortisation of trademarks	345	344
Bad debts written off	1	-
Depreciation of property, plant and equipment	2,767	3,023
Depreciation of right-of-use assets	6,502	7,655
Fair value loss on other investment	7	7
Fair value (gain)/loss on investment properties	-	-
(Gain)/Loss on disposal of properties, plant and equipment, net	(57)	(13)
(Gain)/Loss on deregistration of a foreign subsidiary	50	-
Interest expense	1,269	1,402
Interest income and distribution income from short term funds	(278)	(382)
Loss on disposal of quoted/unquoted investments	-	-
Net provision/(reversal) of impairment loss on trade and other receivables	1,063	554
Net (reversal)/impairment loss of properties, plant and equipment	-	-
Net (reversal)/impairment loss of right-of-use assets	-	-
Realised (gain)/loss on foreign exchange, net	75	41
Property, plant and equipment written off	206	48
Unrealised (gain)/loss on foreign exchange, net	260	358

Note : 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.



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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 Summons 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).



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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 is fixed for Case Management on 26 November 2020.

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

27. Material Events During the Reporting Quarter

On 17 August 2020, CBSB has entered into a Sale and Purchase Agreement with Capital Land Sdn. Bhd. for the purpose of acquiring 2 pieces of land from the latter at a total purchase price of RM49,351,830.00, details of which is disclosed in the Company's announcement dated 18 August 2020. The purchase price was settled through a combination of internally generated funds and bank borrowings, and the transaction has been completed in the mid of second quarter of FY2021.

By Order of the Board,

BONIA CORPORATION BERHAD

CHONG CHIN LOOK

Group Finance Director

Kuala Lumpur

30 November 2020