

**BONIA CORPORATION BERHAD**

Registration No. 199101013622 (223934-T)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2021		
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
	As At 31 Mar 2021 RM'000 Unaudited	As At 30 Jun 2020 RM'000 Audited
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	100,979	111,556
Right-of-use assets	45,475	66,855
Investment properties	89,042	38,105
Intangible assets	71,748	77,738
Interests in associates	292	449
Other investments	1,127	1,178
Deferred tax assets	1,730	1,241
Other receivables	4,460	4,193
	314,853	301,315
CURRENT ASSETS		
Inventories	64,010	96,457
Trade and other receivables	45,847	51,369
Current tax assets	1,860	2,193
Cash and bank balances	96,855	77,709
Short term funds	7,426	23,416
	215,998	251,144
Assets of disposal group classified as held for distribution/ held for sale *	62,103	12,910
TOTAL ASSETS	592,954	565,369
EQUITY AND LIABILITIES		
Equity attributable to the owners of the parent		
Share capital	201,572	201,572
Treasury shares	(485)	(6,100)
Reserves	163,852	170,834
	364,939	366,306
Non-controlling interests	14,742	20,259
TOTAL EQUITY	379,681	386,565
NON-CURRENT LIABILITIES		
Borrowings	75,652	30,102
Lease liabilities	35,899	45,439
Other payables	4,987	4,888
Provision for restoration costs	1,554	1,678
Deferred tax liabilities	6,184	6,795
	124,276	88,902
CURRENT LIABILITIES		
Trade and other payables	38,583	30,600
Borrowings	5,707	9,301
Contract liabilities	20,622	22,242
Lease liabilities	12,035	24,634
Provision for restoration costs	609	568
Current tax liabilities	2,621	2,557
	80,177	89,902
Liabilities of disposal group classified as held for distribution	8,820	-
TOTAL LIABILITIES	213,273	178,804
TOTAL EQUITY AND LIABILITIES	592,954	565,369
	-	-
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM) :	1.8157	1.8668

* The disposal group is in respect of the assets and liabilities of SBG Holdings Sdn Bhd and its subsidiaries which is held for distribution to shareholders of the Company.

(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)



UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2021				
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME				
	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 Mar 2021 RM'000	Preceding Year Corresponding Quarter 31 Mar 2020 RM'000	Current Year- To-Date 31 Mar 2021 RM'000	Preceding Year Corresponding Period 31 Mar 2020 RM'000
<u>Continuing operations</u>				
Revenue	63,472	77,868	208,930	279,457
Cost of sales	(29,172)	(34,587)	(99,076)	(127,583)
Gross profit	34,300	43,281	109,854	151,874
Selling and distribution expenses	(20,544)	(25,267)	(61,768)	(81,447)
General and administration expenses	(17,897)	(17,982)	(47,095)	(52,742)
Other operating income	6,831	1,800	18,930	4,620
Profit/(Loss) from operations	2,690	1,832	19,921	22,305
Finance income	160	354	545	1,037
Finance costs	(1,200)	(1,281)	(3,573)	(4,028)
Share of results of an associate	(28)	92	(46)	221
Profit/(Loss) before tax	1,622	997	16,847	19,535
Taxation	(1,512)	(1,643)	(4,853)	(6,727)
Profit/(Loss) for the period	110	(646)	11,994	12,808
<u>Discontinuing operations *</u>				
Profit/(Loss) from discontinuing operations, net of tax	260	(1,780)	2,360	(844)
Profit/(Loss) for the period	370	(2,426)	14,354	11,964
Other comprehensive income, net of tax				
Items that may be reclassified subsequently to profit or loss				
<u>Continuing operations</u>				
Reclassification of exchange translation reserve to profit or loss upon deregistration of a foreign subsidiary	-	-	50	-
Foreign currency exchange differences	351	(2,769)	(1,085)	(2,703)
Total comprehensive income for the period	721	(5,195)	13,319	9,261
Profit/(Loss) attributable to :				
Owners of the parent				
- from continuing operations	2,577	(874)	12,230	9,619
- from discontinuing operations	260	(1,780)	2,360	(844)
	2,837	(2,654)	14,590	8,775
Non-controlling interests				
- from continuing operations	(2,467)	228	(236)	3,189
	370	(2,426)	14,354	11,964
Total comprehensive income attributable to :				
Owners of the parent				
- from continuing operations	2,798	(3,587)	11,001	6,824
- from discontinuing operations	281	(1,780)	2,360	(844)
	3,079	(5,367)	13,361	5,980
Non-controlling interests				
- from continuing operations	(2,358)	172	(42)	3,281
	721	(5,195)	13,319	9,261
Net earnings per share attributable to owners of the parent :				
Basic (sen)				
- from continuing operations	1.31	(0.44)	6.34	4.88
- from discontinuing operations	0.13	(0.91)	1.22	(0.43)
	1.44	(1.35)	7.56	4.45

* Pursuant to the corporate proposal as disclosed in Note 6 of this interim report, the disposal group held for distribution was presented as discontinuing operations in line with the requirements of MFRS5 *Non-current Assets held for Sales and Distribution 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 2020)



UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2021
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	-	-	-	-	14,590	14,590	(236)	14,354
Foreign currency translations	-	-	(1,279)	-	-	(1,279)	194	(1,085)
Reclassification of exchange translation reserve to profit or loss upon deregistration of a foreign subsidiary	-	-	50	-	-	50	-	50
Total comprehensive income for the period	-	-	(1,229)	-	14,590	13,361	(42)	13,319
Transaction with owners :								
Dividends paid/payable	-	-	-	-	(7,835)	(7,835)	-	(7,835)
Dividend-in-specie	-	12,508	-	-	(12,508)	-	-	-
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	(5,475)	(5,475)
Repurchase of treasury shares	-	(6,893)	-	-	-	(6,893)	-	(6,893)
Transfer of reserves	-	-	-	(2,337)	2,337	-	-	-
Total transactions with owners	-	5,615	-	(2,337)	(18,006)	(14,728)	(5,475)	(20,203)
Balance as at 31 March 2021	201,572	(485)	13,647	184	150,021	364,939	14,742	379,681
Balance as at 1 July 2019	201,572	(4,659)	15,196	2,521	159,423	374,053	19,576	393,629
Profit for the financial period	-	-	-	-	8,775	8,775	3,189	11,964
Foreign currency translations	-	-	(2,795)	-	-	(2,795)	92	(2,703)
Total comprehensive income for the period	-	-	(2,795)	-	8,775	5,980	3,281	9,261
Transaction with owners :								
Dividends paid	-	-	-	-	(7,873)	(7,873)	-	(7,873)
Repurchase of treasury shares	-	(1,397)	-	-	-	(1,397)	-	(1,397)
Total transaction with owners	-	(1,397)	-	-	(7,873)	(9,270)	-	(9,270)
Balance as at 31 March 2020	201,572	(6,056)	12,401	2,521	160,325	370,763	22,857	393,620

(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 31 MARCH 2021		
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS		
	31 Mar 2021	31 Mar 2020
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax :		
From continuing operations	16,847	19,553
From discontinuing operations	2,193	39
	19,040	19,592
Adjustments for :		
Amortisation of intangible assets	301	299
Amortisation of trademarks	1,034	1,032
Bad debts written off	34	-
Depreciation of property, plant and equipment	7,778	9,163
Depreciation of right-of-use assets	19,231	22,610
Fair value adjustments on investment properties	-	-
Fair value loss on other investment	21	21
Fair value (gain)/ loss on short term funds	(5)	29
Gain on disposals of property, plant and equipment, net	(185)	(26)
Gain on disposals of investment property	(170)	-
Gain on reassessments and modifications of leases	(214)	-
(Reversal of)/Impairment loss on :-		
- goodwill	2,600	-
- property, plant and equipment	-	(99)
- trade and other receivables	710	5,113
- trademark	2,400	-
Interest income and distribution income from short term funds	(803)	(1,479)
Interest expense and profit payment on Islamic financing	3,698	4,509
Lease concessions	(3,958)	-
Loss on disposal of other investment	27	-
Loss on deregistration of a foreign subsidiary	50	-
Property, plant and equipment written off	226	130
Share of (profit) /loss of an associate	46	(221)
Unwinding of discount on provision for restoration costs	215	-
Unrealised (gain)/loss on foreign exchange, net	(324)	(166)
Operating profit before changes in working capital	51,752	60,507
Changes in working capital		
Net change in current assets	21,487	(11,074)
Net change in current liabilities	3,940	(4,975)
Cash generated from/(used in) operations	77,179	44,458
Tax (paid)/refunded, net	(6,123)	(8,016)
Net cash from/(used in) operating activities	71,056	36,442
Cash flows from investing activities		
Advances to an associate	-	290
Interest received	803	1,479
Withdrawals/(Placements) of short term funds	2,859	(1,607)
Proceeds from disposal of property, plant and equipment	197	32
Proceeds from disposal of investment properties	13,080	900
Proceeds from disposal of other investment	6	-
Purchase of trademarks	-	(20)
Purchase of property, plant and equipment	(10,886)	(4,533)
Purchase of right-of-use assets	(89)	-
Purchase of investment properties	(9,605)	-
Net cash from/(used in) investing activities	(3,635)	(3,459)
Cash flows from financing activities		
Interest paid and profit paid on Islamic financing	(1,472)	(1,890)
Dividends paid to owners of the parent	(3,815)	(7,873)
Dividends paid to non-controlling interests	(5,475)	-
Net financing/(repayments) of bank borrowings	138	(9,333)
Payments of lease liabilities	(17,255)	(24,537)
Repurchase of own shares	(6,893)	(1,397)
Net cash from/(used in) financing activities	(34,772)	(45,030)
Net changes in cash and cash equivalents	32,649	(12,047)
Cash and cash equivalents at beginning of financial period	77,644	87,627
Effects of exchange rate changes on cash and cash equivalents	(1,316)	559
Cash and cash equivalents at end of financial period (Note 16)	108,977	76,139

(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 31 MARCH 2021**

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 Standards of MFRS and Amendments effective for financial years beginning on or after 1 July 2020

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

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 Standards of MFRS and Amendments issued but not yet effective and not early adopted

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
<i>Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 Interest Rate Benchmark Reform – Phase 2</i>	1 July 2021
<i>Amendments to MFRS 16 Covid-19 – Related Rent Concessions beyond 30 June 2021</i>	1 July 2021
<i>Annual Improvements to MFRS Standards 2018 - 2020</i>	1 July 2022
<i>Amendments to MFRS 3 Reference to the Conceptual Framework</i>	1 July 2022
<i>Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use</i>	1 July 2022
<i>Amendments to MFRS 137 Onerous Contracts - Cost of Fulfilling a Contract</i>	1 July 2022
<i>Amendments to MFRS 101 Classification of Liabilities as Current or Non-current</i>	1 July 2023
<i>Amendments to MFRS 101 Disclosure of Accounting Policies</i>	1 July 2023
<i>Amendments to MFRS 17 Insurance Contracts</i>	1 July 2023
<i>Amendments to MFRS 108 Definition of Accounting Estimates</i>	1 July 2023

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**NOTES TO INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2021****2. Accounting Policies (cont'd)****2.2 Standards and Amendments issued but not yet effective and not early adopted (cont'd)**

Title	Effective date
MFRS 17 <i>Insurance Contracts</i>	1 July 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

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments in the year of initial application.

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

Other than the COVID-19 impact as disclosed in Note 11, there were no unusual items as a result of their nature, size or incidence that had affected this Interim Financial Report during the financial period.

5. Debts and Equity Securities

Save as disclosed below, there were no issuance, cancellation, resale or repayments of debts and equity securities for the financial period ended 31 March 2021:

- (a) At the commencement of the financial period, the Company had repurchased 13,484,200 of its issued ordinary shares and retained as treasury shares of the Company. During the financial period ended 31 March 2021, the Company further accumulated 1,981,000 treasury shares from the open market at an average price of RM0.90 per share for a total cash consideration of approximately RM1,780,000.
- (b) On 15 February 2021, 14,888,481 treasury shares held have been distributed as share dividend to the qualified shareholders of the Company as disclosed in Note 9 of this Interim Financial Report. The balance treasury shares held by the Company as at the date of this Report is 576,719 treasury shares.

6. Status of Corporate Proposals

Save as disclosed below, there were no corporate proposals announced but pending completion as at the date of this Report:

- (a) Proposed Demerger and Proposed Listing of SBG Holdings Sdn. Bhd. on the Leap Market of Bursa Malaysia Securities Berhad as indicated in the Company's announcement dated 25 February 2021.

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.



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**NOTES TO INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2021**

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 Paid

On 2 October 2020, the Board of Directors declared a single tier interim dividend of 2.00 sen per ordinary share of approximately RM3,815,000 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.

On 15 February 2021, the Company completed its distribution of a share dividend in respect of the financial year ending 30 June 2021 on the basis of 8 treasury shares held by Bonia Corporation Bhd (“BCB” or “Company”) for every 100 ordinary shares held in BCB by the qualifying shareholders of the Company on the entitlement date set on 26 January 2021.

On 09 March 2021, the Board of Directors of the Company declared a single tier interim dividend in respect of the financial year ending 30 June 2021 of 2.00 sen per ordinary share, amounted to approximately RM4,020,000, which payment has been made on 06 April 2021.



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**NOTES TO INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2021**

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 nine months of the financial period ended 31 March 2021 are as follows:-

9 months ended 31.03.2021	Retailing					Manufacturing	Investment and property development	Total continuing operations	Discontinuing operations	Total
	Malaysia	Singapore	Indonesia	Vietnam	Other countries					
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue										
Total Revenue	116,688	73,720	10,402	1,049	6,020	13,155	34,988	256,022	22,009	278,031
Inter-segment revenue	-	-	-	-	-	(13,044)	(34,048)	(47,092)	-	(47,092)
Revenue from external customers	116,688	73,720	10,402	1,049	6,020	111	940	208,930	22,009	230,939
Results										
Operating profit/(loss)	15,646	6,163	(1,515)	(63)	-	706	(1,016)	19,921	2,275	22,196
Finance income	138	320	3	-	-	2	82	545	258	803
Finance costs	(1,681)	(482)	-	(1)	-	(12)	(1,397)	(3,573)	(340)	(3,913)
Net finance income/(expense)	(1,543)	(162)	3	(1)	-	(10)	(1,315)	(3,028)	(82)	(3,110)
Share of profit/(loss) of an associate	-	-	-	-	-	-	(46)	(46)	-	(46)
Profit/(Loss) before tax	14,103	6,001	(1,512)	(64)	-	696	(2,377)	16,847	2,193	19,040
Segment assets	132,515	117,140	11,038	1,741	-	22,082	242,745	527,261	60,984	588,245
Segment liabilities	44,856	62,308	1,170	4,671	-	1,727	80,916	195,648	8,815	204,463



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**NOTES TO INTERIM FINANCIAL REPORT
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10. Segmental Information (cont'd)

9 months ended 31.03.2020	Retailing					Manufacturing RM'000	Investment and property development RM'000	Total continuing operations RM'000	Discontinu- -ing operations 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	148,739	100,534	24,039	2,842	2,617	11,745	23,195	313,711	29,033	342,744
Inter-segment revenue	-	-	-	-	-	(11,714)	(22,540)	(34,254)	-	(34,254)
Revenue from external customers	148,739	100,534	24,039	2,842	2,617	31	655	279,457	29,033	308,490
<u>Results</u>										
Operating profit/(loss)	22,549	8,685	(3,887)	974	-	(309)	(5,707)	22,305	96	22,401
Finance income	423	443	7	-	-	1	163	1,037	442	1,479
Finance costs	(1,561)	(1,122)	-	(30)	-	(8)	(1,307)	(4,028)	(481)	(4,509)
Net finance income/(expense)	(1,138)	(679)	7	(30)	-	(7)	(1,144)	(2,991)	(39)	(3,030)
Share of profit/(loss) of an associate	-	-	-	-	-	-	221	221	-	221
Profit/(Loss) before tax	21,411	8,006	(3,880)	944	-	(316)	(6,630)	19,535	57	19,592
Segment assets	143,212	127,262	14,680	3,525	-	23,476	184,540	496,695	69,531	566,226
Segment liabilities	45,320	66,117	878	4,741	-	1,315	34,935	153,306	14,156	167,462



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**NOTES TO INTERIM FINANCIAL REPORT
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11. Performance Review

11.1 Table 1 : Financial review for the current quarter

3QFY2021 vs 3QFY2020

	Quarter ended 31 March		Increase/(Decrease)	
	Current Quarter	Preceding Corresponding Quarter		
	RM'000	RM'000	RM'000	%
<u>Continuing operations</u>				
<u>Revenue</u>				
- Retailing				
• Malaysia	35,724	43,839	(8,115)	(18.5)
• Singapore	22,820	26,853	(4,033)	(15.0)
• Indonesia	1,858	5,630	(3,772)	(67.0)
• Vietnam	287	848	(561)	(66.2)
• Other countries	2,485	508	1,977	>100.0
	63,174	77,678	(14,504)	(18.7)
- Manufacturing	32	1	31	>100.0
- Investment and property development	266	189	77	41.1
	63,472	77,868	(14,396)	(18.5)
<u>Operating profit/(loss)</u>				
- Retailing				
• Malaysia	4,390	8,083	(3,693)	(45.7)
• Singapore	(1,748)	175	(1,923)	(>100.0)
• Indonesia	455	(1,444)	1,899	>100.0
• Vietnam	(42)	301	(343)	(>100.0)
• Other countries	-	-	-	-
	3,055	7,115	(4,060)	(57.1)
- Manufacturing	22	(380)	402	>100.0
- Investment and property development	(387)	(4,903)	4,516	92.1
	2,690	1,832	858	46.8
Finance income	160	354	(194)	(54.8)
Finance costs	(1,200)	(1,281)	81	6.3
Share of results of an associate	(28)	92	(120)	(>100.0)
Profit/(Loss) before tax	1,622	997	625	62.7
Taxation	(1,512)	(1,643)	131	8.0
Profit/(Loss) from continuing operations	110	(646)	756	>100.0
Profit/(Loss) from discontinuing operations	260	(1,780)	2,040	>100.0
Profit/(Loss) for the period	370	(2,426)	2,796	>100.0

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FOR THE QUARTER ENDED 31 MARCH 2021****11. Performance Review (cont'd)****11.1 Table 1: Financial review for the current quarter (cont'd)***3QFY2021 vs 3QFY2020 (cont'd)*Continuing operations

The Group registered a revenue of RM63.5 million for the current quarter as compared to a revenue of RM77.9 million recorded in the previous year corresponding quarter. The revenue decreased by RM14.4 million or about 18.5% was primarily due to subdued consumer spending as a result of the increasing number of the COVID-19 confirmed cases in domestic and overseas markets.

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

Despite the decrease in revenue achieved, the Group's profit before tax ("PBT") increased by RM0.6 million or 62.7% as compared to the previous year corresponding quarter. The improvement in PBT was mainly attributed to the various proactive measures taken by the management to reduce the overall operations expenses and partly offset by the impairment of goodwill and impairment of trademark of RM2.6 million and RM2.4 million respectively for the current quarter under review.

Table 2: Financial review for the current quarter*3QFY2021 vs 3QFY2020*

	Quarter ended 31 March		Increase/(Decrease)	
	2021	2020		
<u>Discontinuing Operations</u>	RM'000	RM'000	RM'000	%
Revenue	6,404	8,311	(1,907)	(22.9)
Operating profit/(loss)	374	(1,016)	1,390	>100.0
Interest income	85	146	(61)	(41.8)
Finance costs	(100)	(157)	57	36.0
Profit/(loss) before tax	359	(1,027)	1,386	>100.0
Taxation	(99)	(753)	654	86.9
Profit/(loss) for the period	260	(1,780)	2,040	>100.0

Discontinuing operations

For the current quarter under review, the discontinuing operations reported revenue and PBT of RM6.4 million and RM0.36 million respectively as compared to the preceding year corresponding quarter which reported revenue and loss before tax ("LBT") of RM8.3 million and RM1.0 million respectively.

The decrease in revenue as compared to the preceding financial period was mainly due to the impact of COVID-19 pandemic. Despite the lower revenue achieved, the improvement of PBT of RM1.4 million was mainly due to the proactive measures undertaken by the management to reduce the overall operational expenses.



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11. Performance Review (cont'd)

11.2 Table 3: Financial review for current financial period YTD vs corresponding last financial period YTD

3QFY2021 YTD vs 3QFY2020 YTD

	Cumulative period		Increase/(Decrease)	
	Current Period To-date	Preceding Corresponding Period		
	RM'000	RM'000	RM'000	%
Revenue				
- Retailing				
• Malaysia	116,688	148,739	(32,051)	(21.5)
• Singapore	73,720	100,534	(26,814)	(26.7)
• Indonesia	10,402	24,039	(13,637)	(56.7)
• Vietnam	1,049	2,842	(1,793)	(63.1)
• Other countries	6,020	2,617	3,403	>100.0
	207,879	278,771	(70,892)	(25.4)
- Manufacturing	111	31	80	>100.0
- Investment and property development	940	655	285	43.5
	208,930	279,457	(70,527)	(25.2)
Operating profit/(loss)				
- Retailing				
• Malaysia	15,646	22,549	(6,903)	(30.6)
• Singapore	6,163	8,685	(2,522)	(29.0)
• Indonesia	(1,515)	(3,887)	2,372	61.0
• Vietnam	(63)	974	(1,037)	(>100.0)
• Other countries	-	-	-	-
	20,231	28,321	(8,090)	(28.6)
- Manufacturing	706	(309)	1,015	>100.0
- Investment and property development	(1,016)	(5,707)	4,691	82.2
	19,921	22,305	(2,384)	(10.7)
Interest income	545	1,037	(492)	(47.4)
Finance costs	(3,573)	(4,028)	455	11.3
Share of results of an associate	(46)	221	(267)	(>100.0)
Profit before tax	16,847	19,535	(2,688)	(13.8)
Taxation	(4,853)	(6,727)	1,874	27.9
Profit/(Loss) from continuing operations	11,994	12,808	(814)	(6.4)
Profit/(Loss) from discontinuing operations	2,360	(844)	3,204	>100.0
Profit/(Loss) for the period	14,354	11,964	2,390	20.0

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The Group registered a revenue of RM208.9 million for the current financial period as compared to a revenue of RM279.5 million reported in the previous year corresponding period. For the same reason of the current quarter under review, the revenue declined by RM70.5 million or 25.2% was mainly due to the weakened market sentiments as well as consumer spending as a result of the increasing number of the COVID-19 confirmed cases in domestic and overseas markets.

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

The Group's PBT decreased by RM2.7 million or 13.8% as compared to the previous financial year. The lower PBT achieved mainly attributed by the lower sales volume as a result of the COVID-19 pandemic, notwithstanding that the management has taken the various proactive measures to reduce the overall operation expenses. The Group has also provided the impairment of goodwill and impairment of trademark of RM2.6 million and RM2.4 million respectively.

Table 4: Financial review for current financial period YTD vs corresponding last financial period YTD*3QFY2021 YTD vs 3QFY2020 YTD*

	Cumulative Year		Increase/(Decrease)	
	Current Period To- date	Preceding Corresponding Period	RM'000	%
<u>Discontinuing Operations</u>	RM'000	RM'000	RM'000	%
Revenue	22,009	29,033	(7,024)	(24.2)
Operating profit/(loss)	2,275	96	2,179	>100.0
Interest income	258	442	(184)	(41.6)
Finance costs	(340)	(481)	141	29.3
Profit/(Loss) before tax	2,193	57	2,136	>100.0
Taxation	167	(901)	1,068	>100.0
Profit/(Loss) for the period	2,360	(844)	3,204	>100.0

Discontinuing Operations

The discontinuing operations reported a revenue and PBT of RM22.0 million and RM2.2 million respectively as compared to the preceding year corresponding period which reported a revenue and PBT of RM29.0 million and RM0.06 million respectively.

The decrease in revenue as compared to the preceding financial period was mainly due to the impact of COVID-19 pandemic. Despite the lower revenue achieved, the improvement of PBT of RM2.1 million was mainly due to the proactive measures undertaken by the management to reduce the overall operation expenses.



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11.3 Table 5: Financial review for current quarter compared with immediate preceding quarter

3QFY2021 vs 2QFY2021

	Current Quarter			Preceding Quarter			Increase/(Decrease)	
	Cont'g Operations RM'000	Discont. Operations RM'000	Total RM'000	Cont'g Operations RM'000	Discont. Operations RM'000	Total RM'000	Cont'g operations RM'000	Discont. operations RM'000
Revenue	63,472	6,404	69,876	75,872	7,176	83,048	(12,400)	(772)
Operating profit	2,690	374	3,064	9,376	716	10,092	(6,686)	(342)
Interest income	160	85	245	196	84	280	(36)	1
Finance costs	(1,200)	(100)	(1,300)	(1,252)	(92)	(1,344)	52	(8)
Share of results of an associate	(28)	-	(28)	(24)	-	(24)	(4)	-
Profit Before Taxation	1,622	359	1,981	8,296	708	9,004	(6,674)	(349)
Taxation	(1,512)	(99)	(1,611)	(1,643)	168	(1,475)	131	(267)
Profit for the period	110	260	370	6,653	876	7,529	(6,543)	(616)

Continuing Operations

For the current quarter under review, the Group reported a revenue of RM63.5 million and PBT of RM1.6 million as compared to the revenue of RM75.9 million and PBT of RM8.3million reported in the immediate preceding quarter.

The decrease in revenue by RM12.4 million was largely due to the reimposition of Movement Control Order 2.0 ("MCO 2.0") since January 2021 to March 2021 for certain states and districts of Malaysia. The MCO 2.0 which replaced the Recovery Movement Control Order ("RMCO") has tighter Covid-19 measures such as banning of dine-in which impacted the footfall to the shopping malls.

In line with the decrease in revenue, the Group's PBT also decreased by RM6.7 million mainly due to the lower sales volume as compared to the immediate preceding quarter. The Group has also provided impairment of goodwill and impairment of trademark of RM2.6 million and RM2.4 million respectively for the current quarter under review.

Discontinuing Operations

The discontinuing operations reported a revenue of RM6.4 million and PBT of RM0.36 million as compared to the revenue of RM7.2 million and PBT of RM0.71 million reported in the immediate preceding quarter. The reason for the decline in revenue and PBT are same as continuing operations as mentioned above.

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The Covid-19 pandemic are expected to continue impacting the business for some time. This is evident in the recent resurgence of Covid-19 cases which led to the reimposition of MCO in Malaysia (“MCO 3.0”) from 6 May 2021. In Singapore, on 16 May 2021, the government announced tighter Covid-19 measures such as cessation of dining-in, limiting social gatherings to 2 people and working from home as default for employees. As such, the Board continues to take a cautious view on the outlook for 2021. The overall economic outlook for 2021 will be dependent on the containment of the Covid-19 pandemic including the on-going vaccination program to curb the spread of Covid-19 cases.

Nevertheless, the Group will continue to undertake its branding initiatives and expand its e-commerce channel while remain prudent on its cost control measures to ensure long-term and sustainable business performance.

13. Changes in Contingent Liabilities

The contingent liabilities of the Company as at 31 March 2021 comprised of corporate guarantees given to financial institutions for credit facilities granted to certain subsidiaries amounting to RM197.2 million of which RM85.1 million have been utilised by these subsidiaries.

14. Capital Commitments

The total capital commitments as at 31 March 2021 are as follows:

	RM'000
Authorised and contracted for:	
Property, plant and equipment:	
- Others	<u>251</u>

15. Short Term Funds

The short term funds represent investments in money market funds.

16. Cash and Cash equivalents

Continuing operations	As at 31.03.2021 RM'000	As at 31.03.2020 RM'000
Cash and bank balances	95,654	57,644
Fixed deposits with licensed banks	<u>1,201</u>	<u>3,391</u>
	96,855	61,035
Less : Bank overdrafts	-	(137)
Less : Fixed deposits pledged	(65)	(63)
Add : Cash and cash equivalent classified as assets held for distribution	<u>12,187</u>	<u>15,304</u>
	<u>108,977</u>	<u>76,139</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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Discontinuing operations	As at 31.03.2021 RM'000	As at 31.03.2020 RM'000
Net cash from operating activities	7,195	(105)
Net cash used in investing activities	(4,685)	26,546
Net cash used in financing activities	(3,665)	(32,139)
(Repayment to)/Advances from continued operations	72	(197)
Net decrease in cash and cash equivalent	(1,083)	(5,895)
Cash and cash equivalent at beginning of financial year	13,300	21,199
Effect of exchange rate changes on cash and cash equivalent	(30)	-
	<u>12,187</u>	<u>15,304</u>

17. Taxation

	Current period to date 31.03.2021 RM'000	Preceding corresponding period 31.03.2020 RM'000
Continuing operations		
Current year tax expense	5,459	6,855
Under/(Over) provision in prior years	41	9
Deferred tax expense	(647)	(137)
	<u>4,853</u>	<u>6,727</u>
	Current period to date 31.03.2021 RM'000	Preceding corresponding period 31.03.2020 RM'000
Discontinuing operations		
Current year tax expense	161	510
Under/(Over) provision in prior years	2	9
Deferred tax expense	(330)	382
	<u>(167)</u>	<u>901</u>

The tax charge of the Group for the current financial period reflects an effective tax rate which is higher than the statutory tax rate mainly due to impairment charges not deductible for tax purposes. The higher effective tax rate is offset by the utilisation of the unabsorbed tax losses of certain subsidiaries and lower corporate income tax rate of certain foreign subsidiaries.

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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 30.11.2020 up to 31.03.2021 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	242
2.	Bonia Group	Speciale Eyewear Sdn. Bhd.	Datuk Chiang Heng Kieng and persons connected with him (including their family)	• Purchase of eyewear	81
3.	Bonia Group	Speciale Eyewear Sdn. Bhd.	Datuk Chiang Heng Kieng and persons connected with him (including their family)	• Sell of bags and accessories	-
4.	Bonia Group	Speciale Eyewear Sdn. Bhd.	Datuk Chiang Heng Kieng and persons connected with him (including their family)	• Receive of rental income	16
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> trademark royalties	220

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



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19. Group Borrowings

The particulars of the Group borrowings are as follows:

	As at 31.03.2021			As at 31.03.2020		
	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
<u>Continuing operations</u>						
<i>Conventional financing facilities - Secured</i>						
Bankers' acceptances	-	-	-	3,253	-	3,253
Hire-purchase and lease creditors	-	-	-	100	211	311
Term loans	1,014	16,872	17,886	858	11,694	12,552
	1,014	16,872	17,886	4,211	11,905	16,116
<i>Islamic financing facilities - Secured</i>						
Term financing-i	1,847	58,780	60,627	1,653	17,917	19,570
Total secured borrowings	2,861	75,652	78,513	5,864	29,822	35,686
<i>Conventional financing facilities - Unsecured</i>						
Bank overdrafts	-	-	-	137	-	137
Bankers' acceptances	457	-	457	2,580	-	2,580
Revolving credit	-	-	-	1,000	-	1,000
Trust receipts	2,389	-	2,389	5,143	-	5,143
	2,846	-	2,846	8,860	-	8,860
<i>Islamic financing facilities - Unsecured</i>						
Bank overdrafts	-	-	-	-	-	-
Bankers' acceptances	-	-	-	685	-	685
	-	-	-	685	-	685
Total unsecured borrowings	2,846	-	2,846	9,545	-	9,545
Total borrowings	5,707	75,652	81,359	15,409	29,822	45,231
<u>Discontinuing Operations</u>						
<i>Conventional financing facilities - Secured</i>						
Hire-purchase and lease creditors	-	-	-	78	-	78



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19. Group Borrowings (cont'd)

Foreign currency borrowings included in the above are as follows:

As at 31.03.2021						
<u>Continuing operations</u>	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>Conventional financing facilities - Secured (Singapore Dollar)</i>						
Term loan	127	392	2,684	8,279	2,811	8,671
	127	392	2,684	8,279	2,811	8,671
<i>Conventional financing facilities - Unsecured (Singapore Dollar)</i>						
Trust receipt	775	2,389	-	-	775	2,389
	775	2,389	-	-	775	2,389
Total borrowings		2,781		8,279		11,060

As at 31.03.2020						
<u>Continuing operations</u>	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>Conventional financing facilities - Secured (Singapore Dollar)</i>						
Hire-purchase & lease creditors	27	81	10	32	37	113
	27	81	10	32	37	113
<i>Conventional financing facilities - Unsecured (Singapore Dollar)</i>						
Trust Receipt	1,700	5,143	-	-	1,700	5,143
	-	5,143	-	-	1,700	5,143
Total borrowings		5,224		32		5,256

<u>Exchange rates applied</u>	As at 31.03.2021	As at 31.03.2020
SGD/RM	3.0845	3.0255
VDN100/RM	0.018	0.0183
IDR100/RM	0.0285	0.0264

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Reconciliation of liabilities from financing activities:

	Term loan and financing-i RM'000	Banker acceptances 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	4,693	(5,260)	1,705	(1,000)	138
Non-cash flows :					
-Purchase of investment property	41,814	-	-	-	41,814
- Effect of foreign exchange	-	-	4	-	4
At 31 March 2021	<u>78,513</u>	<u>457</u>	<u>2,389</u>	<u>-</u>	<u>81,359</u>

20. 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) FR Gallery Sdn Bhd, Future Classic Sdn Bhd and Armani Context Sdn Bhd were wound up by way of members' voluntary winding-up process.
- (b) On 1 March 2021, Vista Assets Sdn Bhd, a wholly-owned subsidiary of the Company subscribed for 51% equity interest in Krinto Sdn Bhd ("KRSB") at a total consideration of RM51.00 and KRSB became an indirect subsidiary of the Company on the same date. KRSB is principally involved in advertising activities.

21. Material Events Subsequent to the End of the Reporting Quarter

There were no material event subsequent to the end of the current quarter under review up to the date of this report.

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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 31.03.2021 RM'000	Preceding corresponding quarter 31.03.2020 RM'000	Current period to date 31.03.2021 RM'000	Preceding corresponding Period 31.03.2020 RM'000
<i>Profit for the year (basic)</i>				
Profit attributable to equity holders of the parent :				
- Continuing operations	2,577	(874)	12,230	9,619
- Discontinuing operations	260	(1,780)	2,360	(844)
	<u>2,837</u>	<u>(2,654)</u>	<u>14,590</u>	<u>8,775</u>
<i>Number of ordinary shares (basic)</i>				
Weighted average number of ordinary shares ('000)	<u>196,974</u>	<u>196,542</u>	<u>192,963</u>	<u>197,106</u>
Basic earnings per share (sen) :				
- Continuing operations	1.31	(0.44)	6.34	4.88
- Discontinuing operations	0.13	(0.91)	1.22	(0.43)
	<u>1.44</u>	<u>(1.35)</u>	<u>7.56</u>	<u>4.45</u>

23. Fair Value Changes of Financial Liabilities

There were no financial liabilities for the financial period ended 31 March 2021.

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

	9 months ended 31.03.21			9 months ended 31.03.20		
	Continuing operations RM'000	Discontinuing operations RM'000	Total RM'000	Continuing operations RM'000	Discontinuing operations RM'000	Total RM'000
Amortisation of intangible assets	301	-	301	299	-	299
Amortisation of trademarks	1,034	-	1,034	1,032	-	1,032
Bad debts written off	31	3	34	-	-	-
Depreciation of property, plant and equipment	6,777	1,001	7,778	7,753	1,410	9,163
Depreciation of right-of-use assets	17,192	2,039	19,231	20,035	2,575	22,610
Fair value loss on other investment	21	-	21	21	-	21
(Gain)/Loss on disposal of properties, plant and equipment, net	(185)	-	(185)	(26)	-	(26)
(Gain)/Loss on disposal of investment property	(170)	-	(170)	-	-	-
(Gain)/Loss on disposal of other investment	27	-	27	-	-	-
(Gain)/Loss on deregistration of a foreign subsidiary	50	-	50	-	-	-
Impairment on goodwill	2,600	-	2,600	-	-	-
Impairment on trade mark	2,400	-	2,400	-	-	-
Interest expense	3,573	340	3,913	4,028	481	4,509
Interest income and distribution income from short term funds	(545)	(258)	(803)	(1,037)	(442)	(1,479)
Lease concession	(3,240)	(718)	(3,958)	-	-	-
Net provision/(reversal) of impairment loss on trade and other receivables	667	43	710	4,970	143	5,113
Net (reversal)/impairment loss of properties, plant and equipment	-	-	-	1,401	-	1,401
Net (reversal)/impairment loss of right-of-use assets	-	-	-	-	-	-
Property, plant and equipment written off	226	-	226	122	8	130

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24.1 Profit for the year is arrived after charging/(crediting) the following items (cont'd):

	9 months ended 31.03.21			9 months ended 31.03.20		
	Continuing operations RM'000	Discontinuing operations RM'000	Total RM'000	Continuing operations RM'000	Discontinuing operations RM'000	Total RM'000
Realised (gain)/loss on foreign exchange, net	114	-	114	141	-	141
Unrealised (gain)/loss on foreign exchange, net	(354)	30	(324)	547	(40)	507

Note : There were no derivative financial instruments as at the end of the financial quarter under review.

24.2 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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25. 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 Defendant 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).



BONIA CORPORATION BERHAD

Registration No. 199101013622 (223934-T)
(Incorporated in Malaysia)

**NOTES TO INTERIM FINANCIAL REPORT
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25. Material Litigation (cont'd)

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

On 26 February 2021, the Defendant's application for leave to appeal to the Federal Court on Enclosure 22 was dismissed and the matter was remitted to the High Court for trial.

The matter is fixed for Case Management in the High Court on 8 July 2021.

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

31 May 2021