



BONIA CORPORATION BERHAD

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

INTERIM FINANCIAL REPORT

FOR THE FOURTH QUARTER ENDED 30 JUNE 2023



**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2023**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30/06/2023 RM'000 Unaudited	As at 30/06/2022 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	144,211	90,376
Right-of-use assets	74,761	59,777
Investment properties	99,186	98,476
Intangible assets	77,563	73,813
Interests in associates	1,160	494
Other investments	2,766	7,444
Deferred tax assets	1,463	1,878
	<u>401,110</u>	<u>332,258</u>
Current assets		
Inventories	92,690	53,869
Trade and other receivables	54,219	50,429
Current tax assets	1,955	1,514
Cash and bank balances	112,454	115,286
Short term funds	30,510	27,318
	<u>291,828</u>	<u>248,416</u>
Assets of disposal group classified as held for distribution*	-	64,824
	<u>692,938</u>	<u>645,498</u>
TOTAL ASSETS		
EQUITY AND LIABILITIES		
EQUITY		
Share capital	201,572	201,572
Treasury shares	(485)	(485)
Reserves	226,101	197,232
ATTRIBUTABLE TO OWNERS OF THE PARENT	<u>427,188</u>	<u>398,319</u>
Non-controlling interests	28,277	24,831
TOTAL EQUITY	<u>455,465</u>	<u>423,150</u>
Non-current liabilities		
Borrowings	67,598	70,173
Lease liabilities	52,645	42,322
Other payables	5,796	5,246
Provision for restoration costs	1,518	1,113
Deferred tax liabilities	5,708	5,558
	<u>133,265</u>	<u>124,412</u>
Current liabilities		
Trade and other payables	28,327	32,953
Borrowings	22,402	10,182
Contract liabilities	20,776	19,645
Lease liabilities	25,200	20,240
Provision for restoration costs	702	552
Current tax liabilities	6,801	6,302
	<u>104,208</u>	<u>89,874</u>
Liabilities of disposal group classified as held for distribution*	-	8,062
TOTAL LIABILITIES	<u>237,473</u>	<u>222,348</u>
	<u>692,938</u>	<u>645,498</u>
TOTAL EQUITY AND LIABILITIES		
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM):		
	<u>2.1254</u>	<u>1.9817</u>

* The disposal group in the previous financial year was 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. Refer to Note 18 on "Status of Corporate Proposals".

(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 2022)



**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2023**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual quarter		Cumulative quarter	
	30/06/2023 RM'000	30/06/2022 RM'000	30/06/2023 RM'000	30/06/2022 RM'000
Revenue	98,867	116,096	424,149	369,257
Cost of sales	(39,587)	(45,644)	(166,217)	(154,199)
Gross profit	59,280	70,452	257,932	215,058
Other operating income	969	6,557	10,545	24,349
Selling and distribution expenses	(28,774)	(28,697)	(113,836)	(98,240)
General and administration expenses	(13,615)	(22,936)	(69,163)	(73,833)
Profit from operations	17,860	25,376	85,478	67,334
Finance costs	(1,974)	(1,275)	(6,603)	(5,208)
Share of results of an associate	208	(18)	786	256
Profit before tax	16,094	24,083	79,661	62,382
Taxation	(4,565)	(4,415)	(17,051)	(9,821)
Net profit for the period/ year	11,529	19,668	62,610	52,561
Other comprehensive income, net of tax				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translations	5,245	2,275	11,267	3,016
Total comprehensive income for the period/ year	16,774	21,943	73,877	55,577
Net profit attributable to:				
Owners of the parent	10,120	17,920	55,008	45,008
Non-controlling interests	1,409	1,748	7,602	7,553
	11,529	19,668	62,610	52,561
Total comprehensive income attributable to:				
Owners of the parent	14,684	20,016	65,050	47,834
Non-controlling interests	2,090	1,927	8,827	7,743
	16,774	21,943	73,877	55,577
Net earnings per share attributable to owners of the parent:				
Basic (sen)	5.03	8.92	27.37	22.39

(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 2022. Refer to Note 24 on "Comparatives" in regards to the restatement of the comparatives)



UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2023

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to Owners of the Parent →					Total 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 2022	201,572	(485)	16,514	184	180,534	398,319	24,831	423,150
Net profit for the financial year	-	-	-	-	55,008	55,008	7,602	62,610
Foreign currency translations	-	-	10,042	-	-	10,042	1,225	11,267
Total comprehensive income for the year	-	-	10,042	-	55,008	65,050	8,827	73,877
Transaction with owners:								
Dividends paid	-	-	-	-	(36,181)	(36,181)	-	(36,181)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(5,381)	(5,381)
Total transactions with owners	-	-	-	-	(36,181)	(36,181)	(5,381)	(41,562)
Balance as at 30 June 2023	201,572	(485)	26,556	184	199,361	427,188	28,277	455,465
Balance as at 1 July 2021	201,572	(485)	13,688	184	149,596	364,555	20,480	385,035
Net profit for the financial year	-	-	-	-	45,008	45,008	7,553	52,561
Foreign currency translations	-	-	2,826	-	-	2,826	190	3,016
Total comprehensive loss for the year	-	-	2,826	-	45,008	47,834	7,743	55,577
Transaction with owners:								
Dividends paid	-	-	-	-	(14,070)	(14,070)	-	(14,070)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(4,967)	(4,967)
Issuance of shares to non-controlling interests	-	-	-	-	-	-	1,575	1,575
Total transactions with owners	-	-	-	-	(14,070)	(14,070)	(3,392)	(17,462)
Balance as at 30 June 2022	201,572	(485)	16,514	184	180,534	398,319	24,831	423,150

(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 2022)



**UNAUDITED INTERIM FINANCIAL REPORT
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Cumulative quarter	
	30/06/2023	30/06/2022
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax:	79,661	62,382
Adjustments for:		
Amortisation of intangible assets	-	132
Amortisation of trademarks	1,401	1,388
Bad debts written off	19	-
Depreciation of property, plant and equipment	8,324	8,266
Depreciation of right-of-use assets	26,813	25,006
Fair value adjustments on investment properties	(126)	1,268
Fair value loss on other investment	184	148
Fair value gain on short term funds	(812)	(46)
Loss/(gain) on disposals of property, plant and equipment	5	(118)
Gain on disposals of non-current assets held for sales	-	(3,468)
Gain on reassessment and modification of leases	(1,461)	(509)
(Reversal of impairment loss)/Impairment loss, net on:		
- trade and other receivables	(1,583)	(2,894)
- right-of-use assets	-	641
- property, plant and equipment	-	39
Interest income and fair value adjustments from cash and bank balances and short-term funds	(2,141)	(1,298)
Interest expense and profit payment on borrowings	6,603	5,208
Lease concessions	-	(4,458)
Over-provision of restoration costs	-	(61)
Property, plant and equipment written off	95	128
Right-of-use assets written off	(44)	7
Share of profit of an associate	(786)	(256)
Net unrealised loss/(gain) on foreign exchange	1,189	(159)
Payables written off	-	(1)
Operating profit before changes in working capital	117,341	91,345
Changes in working capital:		
Net change in current assets	(23,892)	7,012
Net change in current liabilities	(8,653)	10,841
Cash generated from operations	84,796	109,198
Tax (paid)/refunded, net	(16,151)	(5,797)
Net cash from operating activities	68,645	103,401
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	2,953	1,298
Dividend received from an associate	120	-
Withdrawal/(placement) of short-term funds, net	11,204	(12,980)
Proceeds from disposal of property, plant and equipment	47	147
Withdrawal/(placement) of deposits pledged with a licensed bank	25	(1,139)
Proceeds from disposal of non-current assets held for sale	-	7,500
Disposal/(purchase) of other investments	5,078	(6,462)
Purchase of property, plant and equipment	(48,167)	(9,673)
Purchase of investment properties	(82)	(407)
Net cash used in investing activities	(28,822)	(21,716)



**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2023**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

	Cumulative quarter	
	30/06/2023	30/06/2022
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid and profit paid on borrowings	(3,442)	(123)
Dividends paid to owners of the parent	(36,181)	(14,070)
Dividends paid to non-controlling interests	(5,381)	(4,967)
Net financing/(repayments) of bank borrowings	8,580	(4,458)
Payments of lease liabilities	(29,726)	(24,176)
Net cash used in financing activities	<u>(66,150)</u>	<u>(47,794)</u>
Net changes in cash and cash equivalents	(26,327)	33,891
Cash and cash equivalents at beginning of financial year	132,720	97,800
Effects of exchange rate changes on cash and cash equivalents	4,882	1,029
Cash and cash equivalents at end of financial year	<u>111,275</u>	<u>132,720</u>

(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 2022)



**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2023**

NOTES TO INTERIM FINANCIAL REPORT

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 2022.

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 2022.

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 2022 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 2022

Annual Improvements to MFRS Standards 2018 – 2020
Amendments to MFRS 3 *Reference to the Conceptual Framework*
Amendments to MFRS 116 *Property, Plant and Equipment - Proceeds before Intended Use*
Amendments to MFRS 137 *Onerous Contracts - Cost of Fulfilling a Contract*

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

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:

Title	Effective date
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 July 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 July 2023
MFRS 17 <i>Insurance Contracts</i>	1 July 2023
Amendment to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i>	1 July 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction and International Tax Reform - Pillar Two Model Rules</i>	1 July 2023
Amendments to MFRS 101 <i>Non-current liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024

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



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NOTES TO INTERIM FINANCIAL REPORT

3. Seasonality or Cyclicity of Interim Operations

The business operations of the Group are generally dependent on the regional 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 during the financial year.

5. Material Changes in Estimation

There were no changes in estimates of amounts reported in prior financial year that have a material effect in the current financial year.

6. Debts and Equity Securities

There were no issuance, cancellation, resale or repayments of debts and equity securities for the current financial year ended 30 June 2023.

7. Dividends Paid

In respect of the dividend paid for the financial year ended 30 June 2022:

- i) A single tier interim dividend of 2.00 sen per ordinary share amounting to approximately RM4,020,000 was declared on 25 August 2022, and paid on 30 September 2022.
- ii) A single tier special dividend of 10.00 sen per ordinary share amounting to approximately RM20,100,000 was declared on 25 August 2022, and paid on 30 September 2022.

In respect of the dividend paid for the financial year ended 30 June 2023:

- i) A single tier interim dividend of 2.00 sen per ordinary share amounting to approximately RM4,020,000 was declared on 30 November 2022, and paid on 6 January 2023.
- ii) A single tier interim dividend of 2.00 sen per ordinary share amounting to approximately RM4,020,000 was declared on 21 February 2023, and paid on 11 April 2023.
- iii) A single tier interim dividend of 2.00 sen per ordinary share amounting to approximately RM4,020,000 was declared on 29 May 2023, and paid on 28 June 2023.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2023

NOTES TO INTERIM FINANCIAL REPORT

8. Segmental Information

The Group reported operating segments that are according to the nature of products and services which are requires different business and marketing strategies. The Group operates mainly in Malaysia, Singapore and Indonesia and the segmental analysis for the financial year ended 30 June 2023 are as follows:

12-month ended 30/06/2023	← Retailing →				Manufacturing RM'000	Investment and Property Development RM'000	Total RM'000
	Malaysia RM'000	Singapore RM'000	Indonesia RM'000	Others RM'000			
Revenue							
Total revenue	261,054	132,212	20,400	7,596	19,661	68,288	509,211
Inter-segment revenue	-	-	-	-	(19,656)	(65,406)	(85,062)
Revenue from external customers	261,054	132,212	20,400	7,596	5	2,882	424,149
Results							
Operating profit/(loss)	49,168	27,589	3,660	(20)	27	2,101	82,525
Finance income	1,819	636	96	-	12	390	2,953
Finance costs	(2,149)	(1,551)	(3)	-	(8)	(2,892)	(6,603)
Net finance income/(expense)	(330)	(915)	93	-	4	(2,502)	(3,650)
Share of results of an associate	-	-	-	-	-	786	786
Net profit/(loss) before tax	48,838	26,674	3,753	(20)	31	385	79,661
Segment assets	235,218	139,787	21,611	117	22,525	270,261	689,519
Segment liabilities	75,805	72,200	289	81	1,411	75,177	224,963



UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2023

NOTES TO INTERIM FINANCIAL REPORT

8. Segmental Information (Continued)

The Group reported operating segments that are according to the nature of products and services which are requires different business and marketing strategies. The Group operates mainly in Malaysia, Singapore and Indonesia and the segmental analysis for the financial year ended 30 June 2022 are as follows:

12-months ended 30/06/2022	← Retailing →				Manufacturing RM'000	Investment and Property Development RM'000	Total RM'000
	Malaysia RM'000	Singapore RM'000	Indonesia RM'000	Others RM'000			
Revenue							
Total revenue	220,679	124,995	13,188	7,952	13,088	67,282	447,184
Inter-segment revenue	-	-	-	-	(13,088)	(64,839)	(77,927)
Revenue from external customers	<u>220,679</u>	<u>124,995</u>	<u>13,188</u>	<u>7,952</u>	-	<u>2,443</u>	<u>369,257</u>
Results							
Operating profit/(loss)	46,563	19,325	3,376	(682)	(554)	(1,992)	66,036
Finance income	671	414	4	-	11	198	1,298
Finance costs	(1,688)	(1,015)	(2)	-	(14)	(2,489)	(5,208)
Net finance income/(expense)	<u>(1,017)</u>	<u>(601)</u>	<u>2</u>	<u>-</u>	<u>(3)</u>	<u>(2,291)</u>	<u>(3,910)</u>
Share of results of an associate	-	-	-	-	-	256	256
Net profit/(Loss) before tax	<u>45,546</u>	<u>18,724</u>	<u>3,378</u>	<u>(682)</u>	<u>(557)</u>	<u>(4,027)</u>	<u>62,382</u>
Segment assets	230,285	138,329	7,875	200	22,424	242,137	641,250
Segment liabilities	64,350	68,337	710	84	2,323	74,487	210,291



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NOTES TO INTERIM FINANCIAL REPORT

9. 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.

10. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

11. Changes in Contingent Liabilities

The contingent liabilities of the Company as at 30 June 2023 comprised of corporate guarantees given to financial institutions for credit facilities granted to certain subsidiaries amounting to RM166.8 million of which RM93.9 million have been utilised by these subsidiaries.

12. Capital Commitments

Capital commitments as at 30 June 2023 are as follows:

	RM'000
Authorised and contracted for:	
- Property, plant and equipment	<u>1,288</u>

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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	Aggregate value transacted for the financial year ended 30/06/2023 RM’000
1.	Bonia Group	Speciale Eyewear Sdn. Bhd. (“SESB”)	Datuk Chiang Heng Kieng and persons connected with him (including their family)	• Purchase of eyewear from SESB	223
2.	Bonia Group	Speciale Eyewear Sdn. Bhd. (“SESB”)	Datuk Chiang Heng Kieng and persons connected with him (including their family)	• Receipt of rental income from SESB	32
3.	Bonia Group	Bonia International Holdings Pte. Ltd. (“BIH”)	Chiang Sang Sem and persons connected with him (including their family)	• Payment of <i>Bonia</i> trademark royalties to BIH	840

Save as disclosed above, there were no other RRPT during the financial year ended 30 June 2023 under review.



**UNAUDITED INTERIM FINANCIAL REPORT
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NOTES TO INTERIM FINANCIAL REPORT

14. Performance Review

Current Quarter Performance

	Individual quarter		Changes + / (-) %
	30/06/2023 RM'000	30/06/2022 RM'000	
Revenue	98,867	116,096	(14.8)
Profit from operations	17,860	25,376	(29.6)
Finance costs	(1,974)	(1,275)	54.8
Share of results of an associate	208	(18)	(1,255.6)
Profit before tax	16,094	24,083	(33.2)
Taxation	(4,565)	(4,415)	3.4
Profit for the period	11,529	19,668	(41.4)

The Group revenue during the quarter decrease by 14.8% year-on-year, primarily due to the absence of one-off special withdrawal of RM10,000 allowed by Employee Provident Fund (“EPF”) for eligible Malaysian in April 2022 which contributed to strong sales performance during the corresponding quarter of the preceding financial year. In addition, the earlier celebration of Hari Raya Festival during the year on 22 April 2023 has some spillover effect to the March 2023 quarter as the shopping spree started earlier.

Profit before tax during the quarter decrease by RM7.99 million, or 33.2%, mainly due to the decrease in revenue and the absence of one-off gain on disposal of property, plant and equipment of RM3.1 million reported in the corresponding quarter of the preceding financial year.

Year-To-Date Performance

	12-month period ended		Changes + / (-) %
	30/06/2023 RM'000	30/06/2022 RM'000	
Revenue	424,149	369,257	14.9
Profit from operations	85,478	67,334	26.9
Finance costs	(6,603)	(5,208)	26.8
Share of results of an associate	786	256	207.0
Profit before tax	79,661	62,382	27.7
Taxation	(17,051)	(9,821)	73.6
Profit for the period	62,610	52,561	19.1

The Group revenue for the financial year rose 14.9% year-on-year from RM369.3 million to RM424.1 million. The increase was attributable to the rebranding efforts that the Group undertook, the net opening of 5 new boutiques during the financial year and the normalised operating environment for the full financial year since Covid-19 pandemic started.

Gross profit margin (“GP margin”) for FY2023 was 60.8%, an increase from 58.2% reported in FY2022. The improvement is due to the price adjustment exercise carried out in FY2023 and lower freight cost.

The increase in revenue and GP margin contributed to higher profit before tax, despite elevated staff costs due to the adoption of minimum wage policy and the new Employment (Amendment) Act 2022 in Malaysia and Progressive Wage Model in Singapore, increase of marketing spent, coupled with the higher depreciation and rental expenses due to the opening of new stores during the year. Furthermore, the Group reported lower other operating income in FY2023 due to the absence of non-recurring lease concession, one-off gain on disposal of property in the prior financial year and lower government grant received during the financial year.

Consequently, the Group reported a net profit of RM62.6 million for the financial year, an increase of 19.1% from RM52.6 million reported in FY2022.

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	Individual quarter		Changes + / (-) %
	30/06/2023 RM'000	31/03/2023 RM'000	
Revenue	98,867	103,440	(4.4)
Profit from operations	17,860	16,729	6.8
Finance costs	(1,974)	(1,643)	20.1
Share of results of an associate	208	340	(38.8)
Profit before tax	16,094	15,426	4.3
Taxation	(4,565)	(3,737)	22.2
Profit for the period	11,529	11,689	(1.4)

The Group reported a lower revenue of RM98.9 million in Q4FY2023, as compared to RM103.4 million reported in Q3FY2023. The lower revenue was attributable to the softer market sentiment as well as the earlier celebration of Hari Raya Festival on 22 April 2023 which has the spillover effect to quarter 3 sales as the shopping spree started earlier.

Nevertheless, the Group reported profit before tax of RM16.1 million during the current quarter, a 4.3% increase from the Q3FY2023 due to lower administrative expenses incurred.

15. Prospect

The outlook of the retail business remains challenging in the near term as inflationary pressures continue to dampen consumer sentiment and contribute to the rising business costs.

Nevertheless, the Group remains committed with its brand building exercise by introducing new product line, modernisation of retail stores with enrich retail experience, brand collaborations, engagement of brand ambassador and effective digital marketing strategies to create value to our client and to further grow our business.

16. 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.

**BONIA CORPORATION BERHAD**Registration No. 199101013622 (223934-T)
(Incorporated in Malaysia)**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2023****NOTES TO INTERIM FINANCIAL REPORT****17. Taxation**

	3-month quarter ended 30/06/2023 RM'000	Year-to-date 30/06/2023 RM'000
Current Taxation:		
- Current year tax expense	3,686	17,245
- Over provision in prior years	150	(425)
	<u>3,836</u>	<u>16,820</u>
Deferred Taxation:		
- Origination and reversal of temporary differences	757	254
- Under/(over) provision in prior years	(28)	(23)
	<u>729</u>	<u>231</u>
	<u>4,565</u>	<u>17,051</u>

The tax charge of the Group for the current financial year reflects an effective tax rate which is lower than the statutory tax rate primarily due to over provision of tax by certain subsidiaries in the previous financial year. The lower effective tax rate is also attributable to the lower statutory tax rates for the Singapore subsidiaries.

18. Status of Corporate Proposals

On 21 June 2023, the Board, after due deliberations and having considered the then current economic conditions amid the elevated inflationary pressure, changes in the monetary policy and prognosis of global recession which may affect the consumers' sentiment, had decided not to proceed with the Proposals (i.e. Proposed Demerger and Proposed Listing, collectively) as detailed in the Company's Circular to shareholders in relation to the Proposed Listing of SBG Holdings Sdn. Bhd. on the Leap Market of Bursa Malaysia Securities Berhad, dated 22 July 2021 (Note: The Company had obtained its shareholders' approval for the Proposed Listing at the Extraordinary General Meeting held on 11 August 2021).

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

- (a) Proposed Share Buy-Back – as detailed in the Company's Circular to shareholders in relation to the Proposed Renewal of Shareholders' Mandate to Enable Bonia Corporation Berhad To Purchase Up To 10% Of Its Total Number Of Issued Shares, dated 28 October 2022 (Note: The Company had obtained its shareholders' approval for the Proposed Share Buy-Back at the Annual General Meeting held on 30 November 2022)
- (b) Disposal – as detailed in the Company's announcement in relation to the Share Sale Agreement, dated 21 June 2023 (all terms used in this section shall have the meanings set forth therein)

The Company had on 21 June 2023, inked a conditional Share Sale Agreement with a related party, Remarkable Success Sdn. Bhd. to dispose 30% of our equity interest (equivalent to 60,298,537 ordinary shares in issue of SBG) held in SBG Holdings Sdn. Bhd. (a wholly-owned subsidiary of Bonia) to RSSB at a disposal consideration of RM17,597,330.00 to be satisfied entirely in cash.



**UNAUDITED INTERIM FINANCIAL REPORT
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NOTES TO INTERIM FINANCIAL REPORT

19. Borrowings

Borrowings of the Group as at 30 June 2023 are as follows:

	Current RM'000	Non-current RM'000	Total RM'000
Secured			
Term loan	2,685	11,271	13,956
Revolving credit	8,400	-	8,400
Term financing-i	1,924	56,327	58,251
	13,009	67,598	80,607
Unsecured			
Bankers' acceptance	2,754	-	2,754
Trust receipt	6,639	-	6,639
	9,393	-	9,393
Total borrowings	22,402	67,598	90,000

Borrowings denominated in foreign currency are as follows:

	Foreign currency '000	RM equivalent '000
Singapore Dollar	3,688	12,679

20. Notes to the Condensed Consolidated Statement of Comprehensive Income

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

	Current quarter ended 30/06/2023 RM'000	12-month ended 30/06/2023 RM'000
Amortisation of trademarks	354	1,401
Depreciation of property, plant and equipment	2,046	8,324
Depreciation of right-of-use assets	7,359	26,813
Fair value gain on revaluation of investment properties	(126)	(126)
Net loss on disposal of property, plant and equipment	49	5
Interest expense	1,974	6,603
Interest income and distribution income from short term funds	(728)	(2,953)
Net provision/(reversal) of impairment loss on trade and other receivables	(471)	(1,583)
Property, plant and equipment written off	27	95
Net realised (gain)/loss on foreign exchange	7	480
Net unrealised (gain)/loss on foreign exchange	84	1,189

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

**BONIA CORPORATION BERHAD**

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**UNAUDITED INTERIM FINANCIAL REPORT
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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 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).

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 presently fixed for decision on 30 August 2023.

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



**UNAUDITED INTERIM FINANCIAL REPORT
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NOTES TO INTERIM FINANCIAL REPORT

22. Dividends

The Board is pleased to declare: (i) a single tier interim dividend of 2.00 sen per ordinary share; and (ii) a single tier special dividend of 4.00 sen per ordinary share for the financial year ended 30 June 2023 (“FY23”), payable on 29 September 2023 to the shareholders of the Company whose names appear in the Record of Depositors on 13 September 2023 (4Q2022: 12.00 sen).

The total dividend declared for the financial year ended 30 June 2023 is 12.00 sen per ordinary share (FYE2022: 19.00 sen).

23. Earnings Per Share

The basic earnings per ordinary share was computed by dividing the Group’s profit for the financial year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year.

	Individual Quarter		Cumulative Quarter	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	RM’000	RM’000	RM’000	RM’000
<i>Profit for the period</i>				
Profit attributable to owners of the parent	10,120	17,920	55,008	45,008
<i>Number of ordinary shares</i>				
Weighted average number of ordinary shares (’000)	200,995	200,995	200,995	200,995
Basic earnings per share (sen):	5.03	8.92	27.37	22.39

24. Comparatives

On 25 February 2021, the Group announced to Bursa Malaysia Securities Berhad the proposed listing of the subsidiary of the Company, SBG Holdings Sdn. Bhd. (“SBG”) and its subsidiaries (“collectively as SBG Group”) on the LEAP Market of Bursa Malaysia Securities Berhad (“Proposed Listing”). In conjunction with the Proposed Listing, the Company will undertake the proposed demerger of SBG Group which comprises the Proposed Capitalisation, Proposed Subdivision, Proposed Conversion and Proposed Dividend-in-Specie (collectively as “Proposed Demerger”). Accordingly, the assets and liabilities of SBG Group were classified as disposal group held for distribution and the financial results of SBG Group were classified as discontinuing operations.

Subsequently on 21 June 2023, the Group has announced not to proceed with the proposed Demerger and Proposed Listings (as detailed on Note 18 Status of Corporate Proposals). Accordingly, the statement of comprehensive income for the financial year ended 30 June 2022 have been re-presented retrospectively.

25. Qualification of Preceding Annual Financial Statements

The Company’s preceding Audited Financial Statements for the financial year ended 30 June 2022 did not contain any qualification.