

Minutes of the Thirty-First Annual General Meeting (“31st AGM” or “Meeting”) of Bonia Corporation Berhad (“Bonia” or “Company”, and references to “Bonia Group” or “Group” are to Bonia and its subsidiaries) held on Wednesday, 30 November 2022 at 9.30 am as a fully virtual meeting via the online platform at www.vpoll.com.my (Domain Registration No. with MyNIC Berhad: D1A457149) provided by AI Smartual Learning Sdn. Bhd. in Malaysia.

Directors present:	Dato’ Sri Chiang Fong Seng (“CFS”)* Chiang Sang Sem (“CSS”)* Dato’ Sri Chiang Fong Tat (“CFT”)* Datuk Chiang Heng Kieng (“CHK”)* Dato’ Sri Chiang Fong Yee (“CFY”)* Chong Chin Look (“CCL”) Datuk Ng Peng Hong @ Ng Peng Hay (“NPH”) Azian Binti Mohd Yusof (“AMY”) Law Wei Liang (“LWL”) Chiang May Ling (“CML”)* Chiang Fong Chyen (“CFC”)*	- Chairperson of the Meeting, Director - Director - Director - Director - Director - Director - Director - Director - Alternate Director - Alternate Director
Secretaries present:	Wong Yen Lee (“WYL”) Tan Kean Wai Chong Fui Min Hoo Kah Ming	- Company Secretary - Assistant to Company Secretary - Assistant to Company Secretary - Assistant to Company Secretary
Members present:	Comprising shareholders, proxies and/or corporate/authrosied representatives) - as per attendance list	
Others present:	Wong Kwong Tung (“WKT”) Invitees - as per attendance list	- Group Chief Financial Officer
Quorum:	Satisfied (minimum of 2 members required)	
Call to order:	9.30 am with CFS presiding	

** Also holding direct and/or indirect interests in the Company*

1.0 WELCOME ADDRESS

- 1.1 The Chairperson welcomed all the participants of the 31st AGM.

2.0 QUORUM

- 2.1 With the quorum being present pursuant to the Company’s Constitution, the Chairperson declared the Meeting duly constituted.

3.0 NOTICE OF MEETING

- 3.1 The Notice of 31st AGM dated 28 October 2022, having been given to shareholders in accordance with the provisions of the Companies Act 2016 and the Constitution of the Company within the prescribed period, was taken as read.

4.0 REMOTE E-VOTING BY POLL

- 4.1 The Chairperson informed the Meeting that:
- pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of 31st AGM were to be decided by poll. In accordance thereto, the Chairperson of the Meeting had pursuant to Section 330 of the Companies Act 2016 and Clause 69.1 of the Constitution of the Company, exercised his right to demand voting by polls on the resolutions set out in the Notice of 31st AGM
 - the Company has appointed AI Smartual Learning Sdn. Bhd. (“AISL”) as the Poll Administrator to administrate the remote e-voting process via Remote Participation and Voting Facilities, and NeedsBridge Advisory Sdn. Bhd. as the Independent Scrutineers to verify the poll results
 - the remote e-voting was accessible from 9.30 am until the announcement of completion of the voting session
 - Questions & Answer (“Q&A”) session would be opened after all resolutions set out in the Notice of 31st AGM have been put to the Meeting.
- 4.2 The Chairperson then invited the representative from AISL to brief the participants on the remote e-voting procedures. The video recording on the online remote poll voting procedures was then played for the viewing of the members.

5.0 TO LAY THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

- 5.1 The Chairperson informed the Meeting that pursuant to Section 340 of the Companies Act 2016 (“CA2016”), the Audited Financial Statements for the financial year ended 30 June 2022 (“AFS-22”) of the Company did not require shareholders’ approval and henceforth item 1 of the Agenda was meant for discussion only and was not put forward for voting.

6.0 ORDINARY RESOLUTION 1 TO RE-ELECT CHIANG SANG SEM, THE DIRECTOR WHO RETIRES PURSUANT TO CLAUSE 86.1 OF THE CONSTITUTION OF THE COMPANY

- 6.1 The Chairperson put the following Ordinary Resolution 1 to the Meeting for consideration:
- “THAT the retiring Director, Chiang Sang Sem, being eligible for re-election, be and is hereby re-elected as a Director of the Company.”

7.0 ORDINARY RESOLUTION 2 TO RE-ELECT CHONG CHIN LOOK, THE DIRECTOR WHO RETIRES PURSUANT TO CLAUSE 86.1 OF THE CONSTITUTION OF THE COMPANY

- 7.1 The Chairperson put the following Ordinary Resolution 2 to the Meeting for consideration:
- “THAT the retiring Director, Chong Chin Look, being eligible for re-election, be and is hereby re-elected as a Director of the Company.”

**8.0 ORDINARY RESOLUTION 3
TO RE-ELECT DATO' SRI CHIANG FONG SENG, THE DIRECTOR WHO RETIRES
PURSUANT TO CLAUSE 86.1 OF THE CONSTITUTION OF THE COMPANY**

8.1 The Chairperson asked CML to take the chair for this resolution as the resolution was related to his re-election.

8.2 CML put the following Ordinary Resolution 3 to the Meeting for consideration:

“THAT the retiring Director, Dato' Sri Chiang Fong Seng, being eligible for re-election, be and is hereby re-elected as a Director of the Company.”

8.3 CML passed the Chair back to the Chairperson.

**9.0 ORDINARY RESOLUTION 4
TO RE-ELECT LAW WEI LIANG, THE DIRECTOR WHO RETIRES PURSUANT TO
CLAUSE 85.3 OF THE CONSTITUTION OF THE COMPANY**

9.1 The Chairperson put the following Ordinary Resolution 4 to the Meeting for consideration:

“THAT the retiring Director, Law Wei Liang, being eligible for re-election, be and is hereby re-elected as a Director of the Company.”

**10.0 ORDINARY RESOLUTION 5
TO RE-APPOINT MESSRS BDO PLT AS AUDITORS OF THE COMPANY FOR THE
FINANCIAL YEAR ENDING 30 JUNE 2023 AND TO AUTHORISE THE BOARD OF
DIRECTORS TO FIX THEIR REMUNERATION**

10.1 The Chairperson put the following Ordinary Resolution 5 to the Meeting for consideration:

“THAT Messrs BDO PLT be and are hereby re-appointed as Auditors of the Company for the financial year ending 30 June 2023 and that the Board of Directors of the Company be and is hereby authorised to fix their remuneration.”

**11.0 ORDINARY RESOLUTION 6
TO APPROVE THE DIRECTORS' FEES OF BONIA CORPORATION BERHAD AND ITS
SUBSIDIARIES NOT EXCEEDING RM1,700,000 FOR THE FINANCIAL YEAR ENDING 30
JUNE 2023 TO BE DIVIDED AMONGST THE DIRECTORS IN SUCH MANNER AS THEY
MAY DETERMINE, WITH PAYMENT OF THE FEES TO BE MADE SEMIANNUALLY IN
ARREARS AT THE END OF EACH HALF-YEAR**

11.1 The Chairperson put the following Ordinary Resolution 6 to the Meeting for consideration:

“THAT the payment of Directors' fees of Bonia Corporation Berhad and its subsidiaries not exceeding RM1,700,000 for the financial year ending 30 June 2023 to be divided amongst the Directors in such manner as they may determine with payment of the fees to be made semi-annually in arrears at the end of each half-year be approved.”

**12.0 ORDINARY RESOLUTION 7
TO APPROVE THE DIRECTORS' BENEFITS OF BONIA CORPORATION BERHAD UP
TO AN AMOUNT OF RM110,000 FOR THE PERIOD FROM 01 DECEMBER 2022 UNTIL
THE NEXT ANNUAL GENERAL MEETING**

12.1 The Chairperson put the following Ordinary Resolution 7 to the Meeting for consideration:

“THAT the payment of the Directors’ benefits by Bonia Corporation Berhad up to an amount of RM110,000 for the period from 01 December 2022 until the next Annual General Meeting be approved.”

**13.0 ORDINARY RESOLUTION 8
EX-GRATIA PAYMENT FOR FORMER DIRECTOR - CHONG SAI SIN**

13.1 The Chairperson put the following Ordinary Resolution 8 to the Meeting for consideration:

“THAT an ex-gratia payment of RM120,000 be made to Chong Sai Sin in recognition and appreciation of his past service and contribution to the Company and/or its subsidiaries as an Independent Non-Executive Director be approved.”

**14.0 ORDINARY RESOLUTION 9
APPROVAL FOR ALLOTMENT OF SHARES OR GRANT OF RIGHTS**

14.1 The Chairperson put the following Ordinary Resolution 9 to the Meeting for consideration:

“THAT contingent upon the passing of the Special Resolution-Waiver of pre-emptive rights under Section 85 of the Companies Act 2016 by the shareholders of the Company, and pursuant to Sections 75 and 76 of the Companies Act 2016, Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and the approval(s) of the relevant regulatory authorities, where such approval(s) is required, the Directors of the Company be and are hereby empowered to allot and issue shares in the Company, grant rights to subscribe for shares in the Company, convert any security into shares in the Company, or allot and issue shares in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force, and to make or grant offers, agreements or options which would or might require shares to be allotted and issued, after the expiration of the approval hereof, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such additional shares to be allotted and issued pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being.

THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so allotted and issued on the Bursa Malaysia Securities Berhad.

AND THAT the Directors be and are hereby authorised to do all such acts and things (including executing such documents as may be required) in the said connection and to delegate all or any of the powers herein vested in them to any Director(s) or any officer(s) of the Company to give effect to the transactions contemplated and/or authorised by this resolution.”

**15.0 ORDINARY RESOLUTION 10
PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE TO ENABLE BONIA
CORPORATION BERHAD TO PURCHASE UP TO 10% OF ITS TOTAL NUMBER OF
ISSUED SHARES ("Proposed Share Buy-Back")**

15.1 The Chairperson put the following Ordinary Resolution 10 to the Meeting for consideration:

"THAT subject to all the applicable laws and regulations, the Directors be and are hereby authorised to purchase the ordinary shares of the Company through the stock exchange of Bursa Malaysia Securities Berhad at any time upon such terms and conditions as the Directors in their absolute discretion deem fit and in the interests of the Company provided that the aggregate number of shares purchased (which are to be treated as treasury shares) does not exceed 10% of the total number of issued shares of the Company; and the funds allocated for the purchase of shares shall not exceed its retained profits for the time being.

THAT the Directors be and are hereby further authorised to deal with the treasury shares in their absolute discretion pursuant to Section 127(7) of the Companies Act 2016.

THAT such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company following the general meeting at which the Proposed Share Buy-Back was passed at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed either unconditionally or subject to conditions; or the expiration of the period within which the next annual general meeting after that date is required by law to be held; or the revocation or variation by ordinary resolution passed by the shareholders of the Company in a general meeting, whichever occurs first.

AND THAT the Directors be and are hereby authorised to do all such acts and things (including executing such documents as may be required) in the said connection and to delegate all or any of the powers herein vested in them to any Director(s) or any officer(s) of the Company to give effect to the aforesaid share buy-back in the best interest of the Company."

**16.0 SPECIAL RESOLUTION
WAIVER OF PRE-EMPTIVE RIGHTS UNDER SECTION 85 OF THE COMPANIES ACT
2016 ("Waiver of pre-emptive rights")**

16.1 The Chairperson put the following Special Resolution to the Meeting for consideration:

"THAT the shareholders of the Company do hereby waive their statutory pre-emptive rights to be offered new shares ranking equally to the existing issued shares of the Company under Section 85 of the Companies Act 2016, read together with Clause 10 of the Constitution of the Company.

THAT subject to the passing of the Ordinary Resolution 9—Approval for Allotment of shares or Grant of rights by the Company's shareholders, the Directors of the Company be and are hereby authorised to issue any new shares (including rights or options over subscription of such shares) whether to be ranked equally to the existing issued shares of the Company OR with such preferred, deferred, or other special rights or such restrictions, whether with regard to dividend, voting, return of capital, or otherwise, for such consideration and to any person(s) as the Directors may determine.

AND THAT the Directors be and are hereby authorised to do all such acts and things (including executing such documents as may be required) in the said connection and to delegate all or any of the powers herein vested in them to any Director(s) or any officer(s) of the Company to give effect to the transactions contemplated and/or authorised by this resolution."

17.0 TO TRANSACT ANY OTHER ORDINARY BUSINESS

- 17.1 The Meeting noted that no notice was received for transacting any other ordinary business.

18.0 QUESTIONS FROM THE MINORITY SHAREHOLDERS WATCH GROUP

- 18.1 WKT assisted the Chairperson in presenting the Board's replies to the issues and queries raised by the Minority Shareholder Watchdog Group ("MSWG") in their letter dated 22 November 2022, via presentation slides. The Board's replies to MSWG as annexed hereto as "Annex A" would also be posted on the website of the Company after the conclusion of the Meeting.

19.0 QUESTIONS & ANSWERS ("Q&A") SESSION

- 19.1 The Chairperson then opened the Q&A session to the floor.
- 19.2 With regard to the concerns/comments/suggestions relating to the resolutions and/or the Group's matters duly raised by the members, the Chairperson provided the Board's replies as annexed hereto as "Annex B".
- 19.3 Subsequent thereto, there were no other questions from the floor, and the Chairperson declared the Q&A session closed.

20.0 AFS-22

- 20.1 The Chairman then declared that the AFS-22 together with the reports of the Director and Auditors thereon, were properly laid and received by the members present in accordance with the CA2016.

21.0 REMOTE E-VOTING PROCESS

- 21.1 There being no further discussion, the Chairperson advised the members that the remote e-voting session would be closed in 5 minutes and members who have yet to cast their votes were reminded to do so. Thereafter, the poll would be closed. The votes cast would be counted by the Poll Administrator and be scrutineered by the Independent Scrutineers, and the Board would provide the poll results as soon as they were available.
- 21.2 The Chairperson then adjourned the Meeting for remote e-voting as well as the verification of poll results by the Independent Scrutineers.

22.0 ANNOUNCEMENT OF POLL RESULTS

- 22.1 With the quorum being present pursuant to the Company's Constitution, the Chairperson called the 31st AGM to resume at 11.00 am for declaration of the results of the poll.

- 22.2 The poll results as set out in “Annex C” annexed hereto were displayed on the screen for the members’ information. Based on the said poll results, the Chairperson declared that all resolutions as set out in the Notice of 31st AGM and put to the Meeting for consideration, were duly carried.




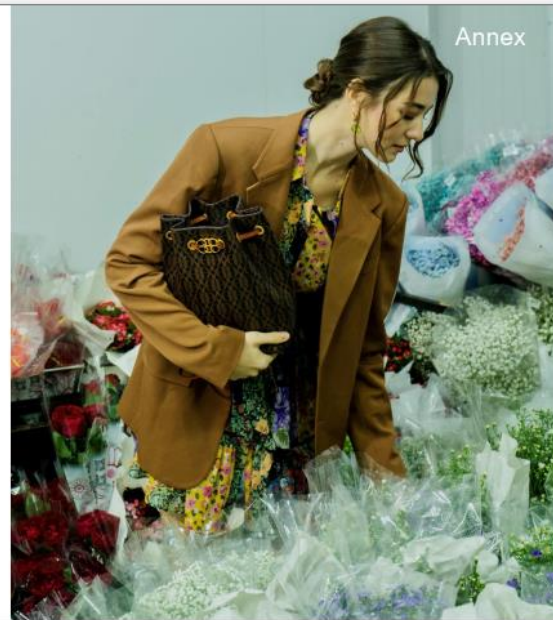
23.0 TERMINATION

- 23.1 There being no other business, the Chairperson concluded the Meeting at 11.15 am and thanked all present for their attendance.





Signed as a correct record,

DATO’ SRI CHIANG FONG SENG
Chairperson of the 31st AGM

“Annex A”

<div data-bbox="533 448 600 512"></div> <div data-bbox="441 512 687 545"><p>BONIA CORPORATION BERHAD <small>(223934-T)</small></p></div> <div data-bbox="300 542 412 563"><p>30 November 2022</p></div> <div data-bbox="300 572 510 655"><p>Minority Shareholder Watchdog Group Tingkat 11, Bangunan KWSP, No.3, Changkat Raja Chulan, Off Jalan Raja Chulan, 50200 Kuala Lumpur</p></div> <div data-bbox="300 665 495 686"><p>Attention: Mr. Devanesan Evanson</p></div> <div data-bbox="300 695 407 718"><p>Dear Sir / Madam,</p></div> <div data-bbox="300 726 824 762"><p>BONIA CORPORATION BERHAD ("BONIA") THIRTY-FIRST (31ST) ANNUAL GENERAL MEETING (AGM) TO BE HELD ON WEDNESDAY, 30 NOVEMBER 2022</p></div> <div data-bbox="300 775 826 828"><p>We refer to your letter dated 22 November 2022 in relation to the abovementioned matter. As requested, we wish to provide our replies to the issues raised by the Minority Shareholder Watchdog Group, which will also be presented to the shareholders of the Bonia at the 31ST AGM.</p></div> <div data-bbox="300 836 694 858"><p>The responses to the questions are hereby attached as Annex to this letter.</p></div> <div data-bbox="300 868 575 888"><p>We take that the above is sufficient for your record.</p></div> <div data-bbox="300 914 477 965"><p>Yours faithfully, For and on behalf of BONIA CORPORATION BERHAD</p></div> <div data-bbox="329 979 448 1043"></div> <div data-bbox="300 1037 472 1074"><p>DATO SRI CHIANG FONG SENG Group Executive Director</p></div> <div data-bbox="338 1342 788 1361"><p>Level 6, Sun Connaught, Lot 160, Jalan Cerdas, Taman Connaught, Cheras, 56000 Kuala Lumpur. Tel : (+603) 9108 9000</p></div>	<div data-bbox="1155 611 1234 683"></div> <div data-bbox="1061 687 1323 722"><p>BONIA CORPORATION BERHAD <small>Registration No. 199101013622 (223934-T)</small></p></div> <div data-bbox="958 777 1451 903"><p>31st Annual General Meeting Wednesday, 30 November 2022</p></div> <div data-bbox="987 957 1397 1003"><p>Questions from MSWG</p></div> <div data-bbox="1451 579 2011 1200"></div>
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“Annex A”

<div>31st Annual General Meeting</div> <div>QUESTIONS FROM MSWG & RESPONSES</div> <div></div> <div>Question 1 There are concerns that the rising cost of living will lead to lower consumer discretionary spending in the retail segment. Globally, there has been a rise of downtrading where consumers switch from premium to lower-end products or brands. What is the brand position of Bonia and Braun Buffel? To what extent do you expect the Group's main brands to be insulated from consumer downtrading and lower discretionary spending? Has the Group noticed any shifts in consumer behaviour (in terms of buying routines, etc.)? Response: BONIA is positioned as a premium, affordable contemporary brand that sits between the luxury and mass market, with a diverse product range that caters to different generations and spending power, from small leather goods items that are accessible to limited-edition pieces with higher price points. Braun Buffel on the other hand, is positioned as a contemporary brand for the premium market. Through our brand overhaul exercise and the cost optimisation strategy that has been in place since FY2019, we are confident the Group will remain insulated from the change in consumer behaviour. While we have recently raised a marginal price adjustment considering the higher production costs, raw materials, transportation as well as inflation; our price remains reasonable to our customers, with curated trendier and fashionable collections every season. With the shift in consumers wanting more digital, experiential and lifestyle integration in their brand consideration, Bonia Group will continue to focus on its 6 growth pillars, namely digital enhancement, e-commerce expansion, store enlargement and enhancement, product line extension, brand partnership & collaboration and talent management.</div> <div>2</div> <div>Bonia Corporation Berhad (Registration No. 199101013622 (223934-T))</div>	<div>31st Annual General Meeting</div> <div>QUESTIONS FROM MSWG & RESPONSES</div> <div></div> <div>Question 2 Following the Group's rationalisation exercise of closing non-performing stores, revenue contribution from stand-alone boutiques (45.1%) has overtaken consignment counters (38.5%) during the financial year. (a) The closing of non-performing stores was more significant for consignment counters, which number has fallen to 327 counters in FY22 from 456 counters in FY21. How many of the Group's consignment counters are still considered non-performing and how many more counters are expected to be closed? Response: Subsequent to the financial year ended FY2022, there were 17 non-performing licensed brand footwear counters that were closed after a strategic review of the business. The review on the performance of the boutiques and consignment counters will be a continuous exercise. With the closure of 17 counters, most of the remaining consignment counters are profitable. (b) What is the average gross profit margin for boutiques and consignment counters? Will the focus of new store openings be more on boutiques? Response: The average gross profit margin for boutiques and consignment counters are 65% and 47% respectively. Moving forward, the Group will be focusing on opening more boutiques.</div> <div>3</div> <div>Bonia Corporation Berhad (Registration No. 199101013622 (223934-T))</div>
<div>31st Annual General Meeting</div> <div>QUESTIONS FROM MSWG & RESPONSES</div> <div></div> <div>Question 2 (continued) Following the Group's rationalisation exercise of closing non-performing stores, revenue contribution from stand-alone boutiques (45.1%) has overtaken consignment counters (38.5%) during the financial year (cont'd) (c) What are the Group's plans for store expansion in FY23 and beyond? Response: Since Covid-19 pandemic started in March 2020, we saw the first physical representation of our new brand vision with the opening of our BONIA flagship KLCC boutique in January 2022 in the brand's colours and design philosophy. Since then, we have opened 3 more BONIA boutiques in Mid Valley Southkey Johor Bahru, IOI City Mall Putrajaya and 1 Utama PI in FY2023. We have also confirmed the opening of new BONIA boutique at Aman Sentral Mall Alor Setar and Mayang Mall Kuala Terengganu. Our BRAUN BUFFEL have also opened 2 new boutiques at Pavilion Bukit Jalil and IOI City Mall. We will continue to review our pipelines on the opening of new stores or the relocation of existing stores to a more prime location. It is also our intention to have store presence in every state of Malaysia.</div> <div>4</div> <div>Bonia Corporation Berhad (Registration No. 199101013622 (223934-T))</div>	<div>31st Annual General Meeting</div> <div>QUESTIONS FROM MSWG & RESPONSES</div> <div></div> <div>Question 3 Revenue from e-commerce increased from RM21 million to RM25 million during the year, representing 6.8% of total retail revenue in FY22 (page 35 of AR 2022). (a) Which e-commerce channels generated the most sales for the Group in FY22 and which saw the highest growth? Response: Our own bonia.com and braunbuffel.com platforms generated the highest sales at approximately 60% of the total e-commerce revenue. All our e-commerce platform and marketplaces experienced growth during the year with our own platform saw the highest growth. (b) How much do you expect e-commerce to contribute towards total retail revenue in the future? Response: We hope the e-commerce contribution would grow to 10% of the total retail revenue via our expansion to the regional marketplaces and product expansion.</div> <div>5</div> <div>Bonia Corporation Berhad (Registration No. 199101013622 (223934-T))</div>

“Annex A”

31st Annual General Meeting
QUESTIONS FROM MSWG & RESPONSES

Question 4

The Group will continue to leverage on the social media and digital marketing to increase brand awareness (page 35 of AR 2022).

(a) What is the Group's marketing budget as a percentage of revenue? How much of it is allocated for digital marketing

Response:

Bonnia Group allocates approximately 5% of its revenue towards its marketing budget. Out of that amount, 30% of the budget is allocated for digital marketing.

(b) How does the Group measure return on advertising spend? What would be considered an acceptable rate of return?

Response:

The Group measures the return on advertising spent through a Return-on-Investment analysis of the Public Relation value we get through visibility and engagement. An acceptable rate of return would be 5 times of the initial investment.

6

Bonnia Corporation Berhad (Registration No. 199101013622 (223934-T))

31st Annual General Meeting
QUESTIONS FROM MSWG & RESPONSES

Question 4 (continued)

The Group will continue to leverage on the social media and digital marketing to increase brand awareness (page 35 of AR 2022) (cont'd):

(d) What are your main digital strategies to increase customer loyalty and repeat purchases to maximize customer lifetime value? Are there any plans to launch a mobile app for your main brands? If so, what is the estimated cost and time frame for developing the app?

Response:

Our main digital strategies include strong social media presence and visibility through brand-aligned content and Key Opinion Leaders (KOL) engagement on Facebook, Instagram, Xiao Hong Shu and TikTok; an upgraded and streamlined e-commerce platform; and personalised communications through Electronic Direct Mail (EDM).

Currently there are no plans to launch a mobile app for our brands.

8

Bonnia Corporation Berhad (Registration No. 199101013622 (223934-T))

31st Annual General Meeting
QUESTIONS FROM MSWG & RESPONSES

Question 4 (continued)

The Group will continue to leverage on the social media and digital marketing to increase brand awareness (page 35 of AR 2022) (cont'd):

(c) Judging by the Group's collaboration with various local and international celebrities, Key Opinion Leaders (KOLs) and social influencers, it appears that the Group is targeting to capture new customers from a younger market (Gen Z / Millennial consumers). What is the demographic breakdown of your customers by age group and how has your customer profile changed over the past few years?

Response:

The current demographic breakdown of our customers by age group is as below:

2% below 20 years old

16% 20-29 years old

54% 30-39 years old

21% 40-49 years old

6% 50-59 years old

1% 60 years old and above

Our customer profile has changed extensively over the past few years through our rebranding exercise from FY2019. Historically, our main demographic has been 35 years and older however we're seeing the younger demographic increasingly connecting with our brands through classic and trendy updated designs and experiential components through physical and digital touchpoints.

7

Bonnia Corporation Berhad (Registration No. 199101013622 (223934-T))

31st Annual General Meeting
QUESTIONS FROM MSWG & RESPONSES

Question 5

Bonnia did not provide a breakdown by product group (Leatherwear, Ladies' footwear, Men's footwear, Men's apparel and Accessories) in its 2022 annual report, as it had in its previous years' annual reports.

(a) What is the revenue breakdown by product group in FY22? How was the growth for each product group in FY22?

Response:

Majority or 77% of the Group's revenue was derived from the sales of leatherwear. The remaining revenue were made up of men's apparel, men's footwear, ladies' footwear and accessories as shown in the diagram below.

The revenue composition has shifted from footwear business to leatherwear due to Covid-19 pandemic as many of the working class remain working from home arrangement which impacted the sales.


Revenue contribution by Product Group

Product Group	FY2022 (%)	FY2021 (%)
Leatherwear	76.4%	73.2%
Men's apparel	8.9%	8.3%
Men's footwear	4.3%	5.2%
Ladies' footwear	5.8%	7.3%
Accessories	4.4%	5.8%

9

Bonnia Corporation Berhad (Registration No. 199101013622 (223934-T))

“Annex A”

<p>31st Annual General Meeting QUESTIONS FROM MSWG & RESPONSES</p> <p>Question 5 (continued)</p> <p>Bonia did not provide a breakdown by product group (Leatherwear, Ladies' footwear, Men's footwear, Men's apparel and Accessories) in its 2022 annual report, as it had in its previous years' annual reports (cont'd).</p> <p>(b) Please consider reincluding this breakdown in future annual reports, as it provides useful information for shareholders and investors to analyse the Group's performance.</p> <p>Response:</p> <p>We will consider to include the breakdown of product category in the future annual reports if the composition provide useful information to gauge the Group's performance.</p> <p>10 Bonnia Corporation Berhad (Registration No. 199101013622 (223934-T))</p>	<p>31st Annual General Meeting QUESTIONS FROM MSWG & RESPONSES</p> <p>Question 6</p> <p>The Group attributed the improved gross profit margins in FY22 to the rationalisation of discounts given (page 37 of AR 2022). What percentage of your sales were realized at full-price vs. at discounted/markdown prices? Is this favourable full-price sales mix sustainable moving forward?</p> <p>Response:</p> <p>The improved gross profit margin from 52.4% in FY2021 to 57.8% in FY2022 are primarily due to the rationalisation of discount and selling more of full-price items as the business activities normalised from the Covid-19 pandemic.</p> <p>In order to create value to our customers, we place high emphasis on our product R&D in curating trendy and fashionable products, brand building efforts in delivering quality product and services to our customers. In addition, we continued our exciting rebranding journey and exploration of our DNA through dedicated new store design concept, seasonal campaigns, social media content, and refresh for our product offerings, from new designs to new categories.</p> <p>As a fashion house selling brands, we will continue to rationalise the discount given and selling more full price items.</p> <p>11 Bonnia Corporation Berhad (Registration No. 199101013622 (223934-T))</p>
<p>31st Annual General Meeting QUESTIONS FROM MSWG & RESPONSES</p> <p>Question 7</p> <p>On your Indonesia operations, what actions are being done to counter the declining sales trend over the past three years?</p> <p>Response:</p> <p>Our Indonesia operations experienced a declining sales trend for the past 3 years on the back of restrictions imposed as a result of the COVID-19 pandemic.</p> <p>On outlook, we expect the consumer spending in Indonesia to see a growth in FY2023, driven by the recovery of economy from the pandemic.</p> <p>In terms of actions to counter the declining sales, apart from the rebranding strategy, the group also leverage on digital marketing strategy to regionalise and align the marketing content and campaign to be rolled out in the region.</p> <p>12 Bonnia Corporation Berhad (Registration No. 199101013622 (223934-T))</p>	

“Annex B”

Q&A SESSION

Q1: What is the Company’s future outlook?

A1: The Management undertook the brand overhaul exercise since FY2019 to close down the underperforming brands, boutique and consignment counters including our foreign operations in Middle East and Vietnam. In FY2019, Bonia Group has 128 boutiques and 539 consignment counters across all brands. As of 30 June 2022, we operate 100 boutiques and 327 consignment counters across Malaysia, Singapore and Indonesia. Most of these stores and counters are profitable and the store performance and strategic review is a continuous exercise.

Since Covid-19 pandemic started in March 2020, we saw the first physical representation of our new brand vision with the opening of our BONIA flagship KLCC store in January 2022 in the brand’s colours and design philosophy. Since then, we have opened 2 more BONIA concept stores in Mid Valley Southkey Johor Bahru and IOI City Mall Putrajaya. We have also confirmed the opening of new BONIA concept stores at 1 Utama PJ, Aman Sentral Alor Star and Mayang Mall Kuala Terengganu. Our BRAUN BUFFEL have also opened 2 new concept stores at Pavilion Bukit Jalil and IOI City Mall.

We will continue to review our pipelines on the opening of new stores or the relocation of existing stores to a more prime location. It is also our intention to have store presence in every state of Malaysia.

Q2: Will the Board consider giving door gift such e-voucher or e-wallets for those participating in this AGM as a token of appreciation?

A2: Kindly be informed that there will be no distribution of door gifts or vouchers for this AGM. Our main method of rewarding shareholders is by payment of dividends. We will endeavour to preserve liquidity and strengthen its financial resilience during this uncertain and challenging period.

Q3: Refer to 5 years results on page 32 of the Annual Report, despite revenue is lower than pre-Covid years (FY2018 and FY2019). However, Bonia has reported a much higher margin and profit than pre-Covid years.

- (a) Please explain what is the reasons for these big improvements in profitability?
- (b) Are these sustainable?

A3: The Board has answered through the replies to MSWG as mentioned earlier. Shareholders may refer to the Board’s replies to MSWG that would also be posted on the website of the Company after the conclusion of the Meeting.

“Annex B”

Q&A SESSION

Q4: Will the Company’s performance in FY2023 continue to improve compared to FY2022?

A4: Moving forward, we will continue to focus on its 6 growth pillars, namely digital enhancement, e-commerce expansion, store enlargement and enhancement, product line extension, brand partnership & collaboration and talent management.

In particular, we target to launch our full collection of ready-to-wear line by fall/winter 2023. Our ready-to-wear collections target on the premium affordable segment. We are also pleased to share that after 3 decades, BONIA recently introduced a new monogram design, called “La Luna” which is inspired by the moon’s changing phases. Public will see a lot of our products with the La Luna design. Monogram designs have been one of our top selling products.

Our rebranding journey began in 2019 with a goal to stand the test of time as a visionary label that, beyond just setting trends, can anticipate the needs of its customers and curate a lifestyle towards which they can aspire. A heritage yet contemporary lifestyle brand that can last a lifetime. We continued our exciting journey and exploration of our DNA through dedicated new store design concept, seasonal campaigns, social media content, a full-fledged website revamp and refresh for our product offerings, from new designs to new categories.

Q5: (a) Does the Company plan to increase the overseas revenue in coming future?
(b) Will the Company continue to focus on domestic market more?

A5: We believe that Bonia still underserves in Malaysia market, and there are more rooms to serve in this market. We also believe that in the next 2-3 years, very much of growth will be focused on Malaysia market.

Q6: Will the sharp appreciation of USD bring any impact towards the Company's operation?

A6: The rising raw materials costs and inflation are global phenomena. We have recently raised a marginal price adjustment taking into account the higher production costs, raw materials, transportation as well as inflation. Our price remains reasonable to our customers. In order to create value to our customers, we place high emphasis on our product R&D in curating trendy and fashionable products, and brand building efforts in delivering quality products and services to our customers.

The Group’s foreign purchases are made up of RMB, USD and Euro. The weakening of RMB neutralises the impact of a strong USD. The Group monitors the forex movement closely and also to source from multiple suppliers.

Q7: What is the status of the propose listing of SBG Holdings Sdn. Bhd. and its subsidiaries into the Leap Market?

A7: The Group is in the midst of obtaining the relevant approvals from the relevant authorities.

“Annex B”

Q&A SESSION


- Q8: Will the Company consider for a Bonus Issue corporate exercise?
- A8: The Company has no such plan at the moment.
- Q9: What percentage of the Group sales were realised at full-price in FY2022?
- A9: Due to the our re-branding exercise over the years, the Group full price items have improved drastically and the Group sales realisation are now in a range of 60-70% depending on brands.
- Q10: (a) How many percent of increment in average selling price has been made since early of FY2022?
(b) Will the company continue to raise selling price?
- A10: The rising raw materials costs and inflation are global phenomenon. In order to create value to our customers, we place high emphasis on our product R&D in curating trendy and fashionable products, brand building efforts in delivering quality product and services to our customers.
- Q11: What is the initiative in plan or in progress related to Environmental Sustainability?
- A11: For Environment Sustainability, the Group has started to use sustainable material in curating some of the product collections. In addition, we have also substantially reduced the use of plastic in its packaging material and sourced paper material from responsible sources.
- Q12: Any plans to expand into Vietnam market again as the Group was quite strong there at one point in time?
- A12: The Group has no such plan at the moment. However, the Group will re-enter into Vietnam market via our e-commerce channel.
- Q13: Our sales growth in Singapore was even faster than Malaysia at 50% in FY2022.
(a) Can the Chairman elaborate what contributed to the good performance there?
(b) Can this trend be sustained?
- A13: Based on our performance indicators, first quarter sales from Singapore improved as Singapore recovered much faster from the Covid-19 pandemic. We believe that this could be sustained due to the arrival of tourist and increase in domestic spending in Singapore market.

“Annex C”

Bonia Corporation Berhad
Level 6, Ikon Connaught, Lot 160, Jalan Cerdas, Taman Connaught, Cheras, KL, Malaysia, KL, 56000

No	Resolutions	Title	Voted For			Voted Against			Total			Result
			No of Units	%	No of records	No of Units	%	No of records	No of Units	%	No of records	
1	ORDINARY	To re-elect the following Directors who retire pursuant to the Constitution of the Company and being eligible, have offered themselves for re-election: Chiang Sang Sem	139,313,342	98.9037	90	1,544,187	1.0963	8	140,857,529	100.0000	98	FOR
2	ORDINARY	To re-elect the following Directors who retire pursuant to the Constitution of the Company and being eligible, have offered themselves for re-election: Chong Chin Look	152,492,072	98.6984	86	2,010,947	1.3016	14	154,503,019	100.0000	100	FOR
3	ORDINARY	To re-elect the following Directors who retire pursuant to the Constitution of the Company and being eligible, have offered themselves for re-election: Dato' Sri Chiang Fong Seng	152,506,128	98.7075	89	1,996,905	1.2925	12	154,503,033	100.0000	101	FOR
4	ORDINARY	To re-elect the following Directors who retire pursuant to the Constitution of the Company and being eligible, have offered themselves for re-election: Law Wei Liang	154,488,382	99.9905	94	14,651	0.0095	7	154,503,033	100.0000	101	FOR
5	ORDINARY	To re-appoint Messrs BDO PLT as Auditors of the Company for the financial year ending 30 June 2023 and to authorise the Board of Directors to fix their remuneration.	154,517,122	99.9996	95	611	0.0004	6	154,517,733	100.0000	101	FOR
6	ORDINARY	To approve the Directors' fees of Bonia Corporation Berhad and its subsidiaries not exceeding RM1,700,000 for the financial year ending 30 June 2023 to be divided amongst the Directors in such manner as they may determine, with payment of the fees to be made semiannually in arrears at the end of each half-year.	154,099,441	99.9678	86	49,682	0.0322	13	154,149,123	100.0000	99	FOR
7	ORDINARY	To approve the Directors' benefits of Bonia Corporation Berhad up to an amount of RM110,000 for the period from 01 December 2022 until the next Annual General Meeting.	154,102,957	99.9701	89	46,166	0.0299	10	154,149,123	100.0000	99	FOR
8	ORDINARY	Ex-gratia Payment for former Director - Chong Sai Sin	153,403,798	99.5078	76	758,849	0.4922	20	154,162,647	100.0000	96	FOR
9	ORDINARY	Approval for Allotment of shares or Grant of rights	154,116,019	99.9503	87	76,655	0.0497	12	154,192,674	100.0000	99	FOR
10	ORDINARY	Proposed renewal of shareholders' mandate to enable Bonia Corporation Berhad to purchase up to 10% of its total number of issued shares ("Proposed Share Buy-Back")	154,119,084	99.9805	93	30,071	0.0195	7	154,149,155	100.0000	100	FOR
11	SPECIAL	Waiver of pre-emptive rights under Section 85 of the Companies Act 2016 ("Waiver of pre-emptive rights")	154,116,590	99.9506	91	76,143	0.0494	10	154,192,733	100.0000	101	FOR

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 30 Nov 2022