



<b>UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2016</b>		
<b>CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>		
	<b>As At 31 Mar 2016 RM'000 (UNAUDITED)</b>	<b>As At 30 Jun 2015 RM'000</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	194,024	183,329
Investment properties	38,142	38,044
Intangible assets	92,415	69,006
Investments in associates	364	97
Other investments	1,262	1,137
Deferred tax assets	4,041	3,430
<b>Total non-current assets</b>	<b>330,248</b>	<b>295,043</b>
<b>CURRENT ASSETS</b>		
Inventories	146,615	153,523
Trade and other receivables	120,535	133,867
Current tax assets	8,755	3,658
Cash and cash equivalents	106,112	78,775
<b>Total current assets</b>	<b>382,017</b>	<b>369,823</b>
<b>TOTAL ASSETS</b>	<b>712,265</b>	<b>664,866</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	201,572	201,572
Reserves	199,848	185,944
<b>Total equity attributable to the owners of the parent</b>	<b>401,420</b>	<b>387,516</b>
<b>Non-controlling Interest</b>	<b>18,556</b>	<b>16,789</b>
<b>Total equity</b>	<b>419,976</b>	<b>404,305</b>
<b>NON-CURRENT LIABILITIES</b>		
Long term borrowings	102,077	100,088
Trade and other payables	2,898	4,893
Provision for restoration costs	1,951	1,963
Deferred tax liabilities	7,138	7,322
<b>Total non-current liabilities</b>	<b>114,064</b>	<b>114,266</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	125,778	98,452
Bank borrowings	46,520	42,998
Provision for restoration costs	447	447
Current tax payables	5,480	4,398
<b>Total current liabilities</b>	<b>178,225</b>	<b>146,295</b>
<b>Total liabilities</b>	<b>292,289</b>	<b>260,561</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>712,265</b>	<b>664,866</b>
	-	-
<b>NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM) :</b>	<b>0.50</b>	<b>0.48</b>

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report of the Group for the financial year ended 30 June 2015)*



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2016**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 Mar 2016 RM'000	Preceding Year Corresponding Quarter 31 Mar 2015 RM'000	Current Year- To-Date 31 Mar 2016 RM'000	Preceding Year Corresponding Period 31 Mar 2015 RM'000
<b>Revenue</b>	<b>162,433</b>	<b>195,010</b>	<b>505,604</b>	<b>547,023</b>
Cost of sales	(70,161)	(83,328)	(226,147)	(223,892)
Gross profit	<b>92,272</b>	<b>111,682</b>	<b>279,457</b>	<b>323,131</b>
Selling and distribution expenses	(49,898)	(59,809)	(147,578)	(165,413)
General and administration expenses	(32,990)	(29,777)	(93,673)	(94,147)
Other operating income	1,436	3,146	6,353	7,219
<b>Profit from operations</b>	<b>10,820</b>	<b>25,242</b>	<b>44,559</b>	<b>70,790</b>
Finance costs	(2,510)	(2,908)	(7,955)	(7,651)
Share of results of associates	209	79	267	78
<b>Profit before tax</b>	<b>8,519</b>	<b>22,413</b>	<b>36,871</b>	<b>63,217</b>
Taxation	(2,801)	(6,795)	(12,822)	(18,776)
<b>Profit for the period</b>	<b>5,718</b>	<b>15,618</b>	<b>24,049</b>	<b>44,441</b>
Other comprehensive income Foreign currency exchange differences arising from consolidation	(2,753)	653	3,513	1,594
<b>Total comprehensive income for the period</b>	<b>2,965</b>	<b>16,271</b>	<b>27,562</b>	<b>46,035</b>

<b>Profit attributable to :</b>				
Owners of the parent	4,403	14,129	20,785	40,942
Non-controlling Interests	1,315	1,489	3,264	3,499
	<b>5,718</b>	<b>15,618</b>	<b>24,049</b>	<b>44,441</b>
<b>Total comprehensive income attributable to :</b>				
Owners of the parent	2,146	14,658	23,983	42,189
Non-controlling Interests	819	1,613	3,579	3,846
	<b>2,965</b>	<b>16,271</b>	<b>27,562</b>	<b>46,035</b>
Net earnings per share attributable to owners of the parent (Note B14)				
- Basic (sen)	0.55	1.75	2.58	5.08

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report of the Group for the financial year ended 30 June 2015)



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2016**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to owners of the parent							Non-controlling interests RM'000	Total Equity RM'000
	Non-Distributable			Distributable					
	Share Capital RM'000	Share Premium RM'000	Available-for-sale Reserve RM'000	Exchange Translation Reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Sub-total RM'000		
<b>At 1 July 2015</b>	201,572	-	(12)	3,745	-	182,211	387,516	16,789	404,305
Profit for the financial year	-	-	-	-	-	20,785	20,785	3,264	24,049
Foreign currency translations	-	-	-	3,198	-	-	3,198	315	3,513
<b>Total comprehensive income for the period</b>	-	-	-	3,198	-	20,785	23,983	3,579	27,562
Transaction with owners:									
Dividends paid	-	-	-	-	-	(10,079)	(10,079)	-	(10,079)
Dividend paid to non-controlling interests of subsidiary	-	-	-	-	-	-	-	(1,812)	(1,812)
<b>Total transactions with owners</b>	-	-	-	-	-	(10,079)	(10,079)	(1,812)	(11,891)
<b>At 31 March 2016</b>	<b>201,572</b>	<b>-</b>	<b>(12)</b>	<b>6,943</b>	<b>-</b>	<b>192,917</b>	<b>401,420</b>	<b>18,556</b>	<b>419,976</b>
<b>At 1 July 2014</b>	100,786	476	(12)	672	(1,706)	246,270	346,486	14,134	360,620
Profit for the financial year	-	-	-	-	-	40,942	40,942	3,499	44,441
Foreign currency translations	-	-	-	1,247	-	-	1,247	347	1,594
<b>Total comprehensive income for the period</b>	-	-	-	1,247	-	40,942	42,189	3,846	46,035
Transaction with owners:									
Resale of treasury shares	-	1,006	-	-	1,706	-	2,712	-	2,712
Bonus issue	100,786	(1,482)	-	-	-	(99,304)	-	-	-
Dividends paid	-	-	-	-	-	(10,079)	(10,079)	-	(10,079)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(3,558)	(3,558)
<b>Total transactions with owners</b>	100,786	(476)	-	-	1,706	(109,383)	(7,367)	(3,558)	(10,925)
<b>At 31 March 2015</b>	<b>201,572</b>	<b>-</b>	<b>(12)</b>	<b>1,919</b>	<b>-</b>	<b>177,829</b>	<b>381,308</b>	<b>14,422</b>	<b>395,730</b>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report of the Group for the financial year ended 30 June 2015)



<b>UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2016</b>		
<b>CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS</b>		
	<b>31 Mar 2016</b>	<b>31 Mar 2015</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	36,871	63,217
Adjustments for non-cash flow:		
Amortisation of trademarks	1,687	993
Accretion of non-current other payable	289	446
Depreciation of property, plant and equipment	17,178	15,800
Gain on disposal of property, plant and equipment	(167)	(524)
Impairment loss on :-		
- trade and other receivables	32	-
- amounts owing by associates	535	-
Interest expense	5,275	4,556
Interest income	(478)	(537)
Net loss on disposal of a subsidiary	36	-
Properties, plant and equipment written off	481	120
Share of gain of associates	(267)	(78)
Unwinding of discount on provision for restoration costs	5	61
Unrealised gain on foreign exchange, net	(135)	139
<b>Operating profit before changes in working capital</b>	<b>61,342</b>	<b>84,193</b>
Changes in working capital		
Net change in current assets	23,241	(29,183)
Net change in current liabilities	9,878	7,991
<b>Cash generated from operations</b>	<b>94,461</b>	<b>63,001</b>
Tax paid	(17,787)	(22,467)
<b>Net cash from operating activities</b>	<b>76,674</b>	<b>40,534</b>
<b>Cash flows used in investing activities</b>		
Acquisition of subsidiaries	(2,898)	-
Interest received	478	537
Advances to associates	(541)	(474)
Net cash outflow from disposal of a subsidiary	(2)	-
Replacements of deposits pledged to licensed banks	(2)	-
Proceeds from disposal of property, plant and equipment	462	855
Purchase of Trademarks	(8,562)	(43)
Purchase of property, plant and equipment	(27,918)	(12,109)
Purchase of investment properties	(98)	(5,952)
Purchase of other long term investment	(109)	-
<b>Net cash used in investing activities</b>	<b>(39,190)</b>	<b>(17,186)</b>
<b>Cash flows used in financing activities</b>		
Interest paid	(5,275)	(4,556)
Dividends paid to owners of the parent	(10,079)	(10,079)
Dividends paid to non-controlling interests	(1,812)	(3,558)
Proceeds from sale of treasury shares	-	2,712
Net financing from bank borrowings	7,287	8,809
<b>Net cash used in financing activities</b>	<b>(9,879)</b>	<b>(6,672)</b>
<b>Net increase in cash and cash equivalents</b>	<b>27,605</b>	<b>16,676</b>
<b>Cash and cash equivalents at beginning of the financial year</b>	<b>71,679</b>	<b>66,241</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>1,943</b>	<b>(650)</b>
<b>Cash and cash equivalents at end of the financial year (Note A16)</b>	<b>101,227</b>	<b>82,267</b>

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report of the Group for the financial year ended 30 June 2015)*



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2016**

**1. Basis of Preparation**

This Interim Financial Report is unaudited and have 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. This Report also complies 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 2015.

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 2015.

**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 2015.

The Group has not adopted the following new/revised MFRSs, Amendments to MFRSs and Interpretation that were in issue but not yet effective:

***MFRS and Amendments effective for financial periods beginning on or after 1 January 2016***

MFRS 14	<i>Regulatory Deferral Accounts</i>	1 January 2016
Amendments to MFRS 10 and MFRS 128	<i>Sale or Contribution of Assets between an Investor and its Associates or Joint Venture</i>	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128	<i>Investment Entities : Applying the Consolidation Exception</i>	1 January 2016
Amendments to MFRS 101	<i>Disclosure Initiative</i>	1 January 2016
Amendments to MFRS 116 and MFRS 138	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
Amendments to MFRS 11	<i>Accounting for Acquisitions of Interests in Joint Operations</i>	1 January 2016
Amendments to MFRS 127	<i>Equity Method in Separate Financial Statements</i>	1 January 2016
Amendments to MFRSs	<i>Annual Improvements to MFRSs 2012-2014 Cycle</i>	1 January 2016
MFRS 15	<i>Revenue from Contracts with Customers</i>	1 January 2018
MFRS 9	<i>Financial Instruments (IFRS as issued by IASB in July 2014)</i>	1 January 2018

The Group is in the process of assessing the impact of implementing these Standards and Amendments since the effects would only be observable for future financial years.



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2016**

**3. Seasonality or Cyclicity of Interim Operations**

The business operations of the Group are generally dependent on the Malaysian economy, consumer confidence and Government support, as well as major festive seasons.

**4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items as a result of their nature, size or incidence that had affected this Interim Financial Report for the financial quarter ended 31 March 2016.

**5. Debts and Equity Securities**

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

**6. Status of Corporate Proposals**

There were no corporate proposals announced but not completed as at the date of this Report.

**7. Qualification of Preceding Annual Financial Statements**

The Company's preceding Audited Financial Statements for the financial year ended 30 June 2015 did not contain any qualification.

**8. Achievability of Revenue or Profit Estimate, Forecast, Projection or Internal Targets**

No revenue or profit estimate, forecast, projection or internal targets has been issued by the Group previously in any public document.

Following the Company's announcement on the "Acquisition of 100% equity interest in IBB Pte Ltd by Jeco (Pte) Limited, from Helgo Neugebauer for a cash consideration of SGD6,000,000" dated 2 February 2016, the level of achievability of the guaranteed Profit After Tax ("PAT") of at least SGD2,000,000 for the financial period of 1 January 2016 to 31 December 2016 by IBB Pte Ltd as warranted by the vendor, will be announced after the completion of an interim audit on the financial statements of IBB Pte Ltd for the relevant financial period of which will be carried out by the external auditors of IBB Pte Ltd in due course.

**9. Dividend**

The Directors did not declare any interim dividend in respect of the financial quarter ended 31 March 2016. The total dividend for the current financial year to date comprised a final single tier dividend of 5% per ordinary shares of RM0.25 each in respect of the financial ended 30 June 2015 duly paid on 31 December 2015.



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2016**

**10. Segmental Information - Operating Segments**

**Results for 3 months ended 31 March 2016  
(current quarter)**

	Retailing RM'000	Manufac- turing RM'000	Investment and property development RM'000	Elimination RM'000	Consolidation RM'000
<i>Revenue</i>					
External revenue	162,240	1	192	-	162,433
Inter-segment revenue	-	7,566	14,395	(21,961)	-
Total revenue	<u>162,240</u>	<u>7,567</u>	<u>14,587</u>	<u>(21,961)</u>	<u>162,433</u>
<i>Results</i>					
Operating results	11,952	360	3,809	(6,261)	9,860
Interest income	24	-	138	-	162
Interest expense	(419)	(122)	(1,171)	-	(1,712)
Share of results of associates egment results	-	-	209	-	209
	<u>11,557</u>	<u>238</u>	<u>2,985</u>	<u>(6,261)</u>	<u>8,519</u>
Tax expense					(2,801)
Profit for the current quarter					<u>5,718</u>

**Results for 3 months ended 31 March 2015  
(corresponding quarter of preceding year)**

	Retailing RM'000	Manufac- turing RM'000	Investment and property development RM'000	Elimination RM'000	Consolidation RM'000
<i>Revenue</i>					
External revenue	194,700	34	276	-	195,010
Inter-segment revenue	-	5,245	12,853	(18,098)	-
Total revenue	<u>194,700</u>	<u>5,279</u>	<u>13,129</u>	<u>(18,098)</u>	<u>195,010</u>
<i>Results</i>					
Operating results	23,578	93	3,773	(3,403)	24,041
Interest income	47	1	103	-	151
Interest expense	(423)	(121)	(1,314)	-	(1,858)
Share of results of associates Segment results	-	-	79	-	79
	<u>23,202</u>	<u>(27)</u>	<u>2,641</u>	<u>(3,403)</u>	<u>22,413</u>
Tax expense					(6,795)
Profit for the current quarter					<u>15,618</u>



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2016**

**10. Segmental Information - Operating Segments (cont'd)**

**Results for 9 months ended 31 March 2016  
(current financial year-to-date)**

	Retailing RM'000	Manufac- turing RM'000	Investment and property development RM'000	Elimination RM'000	Consolidation RM'000
<i>Revenue</i>					
External revenue	504,175	692	737	-	505,604
Inter-segment revenue	-	21,202	42,357	(63,559)	-
Total revenue	<u>504,175</u>	<u>21,894</u>	<u>43,094</u>	<u>(63,559)</u>	<u>505,604</u>
<i>Results</i>					
Operating results	43,980	1,526	12,813	(16,918)	41,401
Interest income	66	-	412	-	478
Interest expense	(1,336)	(363)	(3,576)	-	(5,275)
Share of results of associates	-	-	267	-	267
Segment results	<u>42,710</u>	<u>1,163</u>	<u>9,916</u>	<u>(16,918)</u>	<u>36,871</u>
Tax expense					<u>(12,822)</u>
Profit for the financial period					<u>24,049</u>

**Results for 9 months ended 31 March 2015  
(corresponding period of preceding financial year-to-date)**

	Retailing RM'000	Manufac- turing RM'000	Investment and property development RM'000	Elimination RM'000	Consolidation RM'000
<i>Revenue</i>					
External revenue	546,163	34	826	-	547,023
Inter-segment revenue	-	18,164	43,050	(61,214)	-
Total revenue	<u>546,163</u>	<u>18,198</u>	<u>43,876</u>	<u>(61,214)</u>	<u>547,023</u>
<i>Results</i>					
Operating results	68,063	1,002	16,071	(17,978)	67,158
Interest income	106	3	428	-	537
Interest expense	(1,238)	(391)	(2,927)	-	(4,556)
Share of results of associates	-	-	78	-	78
Segment results	<u>66,931</u>	<u>614</u>	<u>13,650</u>	<u>(17,978)</u>	<u>63,217</u>
Tax expense					<u>(18,776)</u>
Profit for the financial period					<u>44,441</u>





**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2016**

**11. Review of Performance of the Company and its Subsidiaries**

*3Q16 vs. 3Q15*

For the current quarter, the Group reported a lower profit before taxation (“PBT”) of RM8.5 million as compared to the PBT of RM22.4 million reported for 3Q15,

The decrease in PBT was mainly due to decrease in revenue as well as gross profit (“GP”) margin. The revenue had dropped 16.7% to RM162 million as compared to RM195 million reported for 3Q15. GP margin remained healthy at 56.8%, a marginal dropped from 57.3%. The lower GP margin was mainly due to higher cost of imported goods caused by weakened Ringgit. In addition, the implementation of GST had further burdened the cost of goods sold as not all the GST cost can be fully transferred to consumers.

*3Q16 YTD vs. 3Q15 YTD*

For the 9 months of FY2016, the Group’s revenue decreased by RM41.4 million or 7.6% as compared to the corresponding cumulative quarters in the preceding year, which saw a slew of last minute purchase activities prior to the implementation of GST in April 2015. The tough operating environment after the implementation of GST couple with weakened consumer sentiments has caused the revenue dropped by 7.6%.

The Group reported a profit before tax of RM36.9 million, which is 41.7% lower than the profit before tax of RM63.2 million reported in the preceding year. Earnings weakened drastically as GP margin were affected due to promotional activities and higher discount given to drive sales. The drop in GP margin also attributable to the increase in the merchandise costs due to weakened Ringgit, with the absorption of GST cost in view of the weakened consumer sentiments. Our ongoing rationalisation and cost control exercise has seen a reduction of overall expenses by 7% for the 9 months of FY2016.

**12. Comments on Material Changes in the Profit Before Taxation for the Quarter under Review as Compared with Immediate Preceding Quarter**

*3Q16 vs. 2Q16*

For the current quarter under review, the Group posted a profit before tax of RM8.5 million as compared to RM14.7 million in the preceding quarter ended 31 December 2015.

Revenue for the current quarter under review had decreased by RM16.0 million or 9.0% to RM162.43 million as compared to RM178.5 million reported in the preceding quarter due to weaken consumer sentiments.

**13. Prospect**

On the local front, Malaysia’s economy is expected to continue at a slower pace for the remaining financial year. Consumers are expected to be very cautious in their spending in view of the slowing Malaysia economy as well as rising costs of living partly due to weakening Malaysian Ringgit and implementation of GST.

The retail sector has becoming more challenging due to rising costs of doing business, weakened Ringgit which has risen merchandise costs. The rise in the cost of living has resulted in the lower consumer spending. Dampening commodity prices which the country is based upon, has also negatively affecting consumer sentiments.



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2016**

**13. Prospect (cont'd)**

Giving the uncertain economic outlook, the Group's prospects for the remaining financial year are expected to be challenging. With the continue increase in the merchandise costs due to the weakened Ringgit, the Group will continue to monitor its operating costs and slowly adjust its selling price to cope with falling gross margin. The Group will also embark on business consolidation and rationalisation as well as cost control exercise while continue its expansion plan to overseas markets in particularly Vietnam, Indonesia, Cambodia and other Middle East countries.

Barring any unforeseen circumstances, the Board of Directors remains cautious about the Group's outlook for the remaining financial year. We expect to face further challenges as outlook for global economy remains uncertain and our domestic economy may need time to recover from weakened Ringgit, low commodities prices and overall consumer sentiment.

**14. Valuation of Property, Plant and Equipment**

The values of the "Property, Plant and Equipment" have been brought forward without amendment from the previous Audited Financial Statements.

**15. Changes in Contingent Liabilities**

The contingent liabilities of the Company as at 31 March 2016 comprised of corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries amounted to RM332.37 million of which utilised by these subsidiaries amounted to RM133.63 million.

**16. Capital Commitments**

The amount of capital commitments as at 31 March 2016 is as follows:

	RM'000
Authorised and contracted for:	
Property, plant and equipment:	
- Others	1,168
- Renovation for offices and warehouses	504
	<u>1,672</u>

**17. Cash and Cash equivalents**

	31.03.2016 RM'000	31.03.2015 RM'000
Cash and bank balances	105,266	79,966
Fixed deposits with licensed banks	846	786
Short term placements with licensed banks	-	5,000
Bank overdrafts	(4,039)	(2,699)
	<u>102,073</u>	<u>83,053</u>
Less: Fixed deposit pledged	(846)	(786)
	<u>101,227</u>	<u>82,267</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.



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2016**

**18. Taxation**

	Current year to-date ended 31.03.2016 RM'000	Preceding year to-date ended 31.03.2015 RM'000
Current year tax expense	13,591	18,843
Under/(Over) provision in prior year	(559)	115
Deferred tax expense	(210)	(182)
	12,822	18,776

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

**19. Recurrent Related Party Transactions**

19.1 The aggregate value of the recurrent related party transactions (“RRPT”) conducted between the transacting subsidiaries of the Company (collectively, “Bonia Group”) with the related parties during the current financial period under review are as follows :-

No.	Transacting Party	Transacting Related party	Interested directors, major shareholders and/or persons connected with them	Nature of transactions	Estimated aggregate value during the validity period of the Proposed RRPT Mandate pursuant to Circular to Shareholders dated 29.10.2015 duly approved at the 24th AGM held on 25.11.2015 RM'000	Actual aggregate value transacted from 25.11.2015 up to 31.03.16 RM'000
1.	Bonia Group	Bonia International Holdings Pte. Ltd.	Chiang Sang Sem and persons connected with him (including their family)	<ul style="list-style-type: none"> <li>Payment of <i>Bonia, Carlo Rino, Sembonia and CR2</i> trademarks royalties</li> </ul>	4,600	1,044
2.	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)	<ul style="list-style-type: none"> <li>Payment of office and warehouse rental</li> </ul>	2,000	619
3.	Bonia Group	Cassardi International Co. Ltd.	Boonnam Boonnamsap (a major shareholder of Bonia’s subsidiary) and persons connected with him (including their family)	<ul style="list-style-type: none"> <li>Purchase of men’s apparels</li> <li>Payment of <i>Valentino Rudy</i> trademark royalty</li> </ul>	N/A	191

19.2 The actual value transacted up to 31 March 2016 did not exceed the estimated aggregate value during the validity period of the existing shareholdings’ mandate obtained on 25 November 2015 by 10% or more.

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



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**20. Group Borrowings**

The total Group borrowings and debts securities were as follows:

	31.03.2016		30.06.2015	
	Short Term Borrowing RM'000	Long Term Borrowing RM'000	Short Term Borrowing RM'000	Long Term Borrowing RM'000
<i>Secured</i>				
Bank overdrafts	-	-	543	-
Bankers' acceptances	2,458	-	454	-
Hire-purchase & lease	396	364	718	694
Term loans	11,263	101,713	8,879	98,868
	<u>14,117</u>	<u>102,077</u>	<u>10,594</u>	<u>99,562</u>
<i>Unsecured</i>				
Bank overdrafts	4,039	-	5,735	-
Bankers' acceptances	18,311	-	15,414	-
Trust Receipt	8,966	-	9,153	-
Term loans	1,087	-	2,102	526
	<u>32,403</u>	<u>-</u>	<u>32,404</u>	<u>526</u>
<b>Total</b>	<u><b>46,520</b></u>	<u><b>102,077</b></u>	<u><b>42,998</b></u>	<u><b>100,088</b></u>

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

	31.03.2016		30.06.2015	
	Foreign Currency '000	RM Equivalent '000	Foreign Currency '000	RM Equivalent '000
<u>Singapore Dollar</u>				
<u>Secured</u>				
Term Loan	506	1,466	526	1,473
Hire-purchase	45	131	174	487
	<u>551</u>	<u>1,597</u>	<u>700</u>	<u>1,960</u>
<u>Unsecured</u>				
Bank overdraft	-	-	446	1,249
Term Loan	375	1,087	938	2,628
Trust Receipt	3,094	8,965	3,265	9,153
	<u>3,469</u>	<u>10,052</u>	<u>4,649</u>	<u>13,030</u>
<u>U.S. Dollar</u>				
<u>Unsecured</u>				
Bankers' acceptances	480	1,874	953	3,597
	<u>480</u>	<u>1,874</u>	<u>953</u>	<u>3,597</u>
<b>Total</b>	<u><b>4,500</b></u>	<u><b>13,523</b></u>	<u><b>6,302</b></u>	<u><b>18,587</b></u>



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**21. Realised and Unrealised Profits Disclosure**

The breakdown of the retained profits of the Group as at 31 March 2016, into realised and unrealised profits is prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the context of disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

	As at 31.03.2016 RM'000	As at 30.06.2015 RM'000
Total retained profits of Bonia Corporation Berhad and its subsidiaries		
- Realised	234,741	220,271
- Unrealised	2,599	2,861
Total share of retained profits from associated companies		
- Realised	56	(211)
	237,396	222,921
Less : Consolidation adjustments	(44,479)	(40,710)
Total Group retained profits	192,917	182,211

**22. Changes in the Composition of the Group**

- 22.1 A Sale and Purchase Agreement had been executed between Jeco (Pte) Limited (70% owned subsidiary of the Company) and Helgo Neugebauer (“Helgo”) on 29 January 2016 for the acquisition of 100 ordinary shares representing 100% of the equity interest in IBB Pte Ltd (“IBB”) for a cash consideration of SGD6,000,000 (equivalent to RM17,512,200) (“Purchase Price”).

IBB was incorporated in Singapore on 12 October 2015 with its issued and paid-up capital of SGD100 divided into 100 ordinary shares. Its principal activity is general wholesale trade (including general importers and exporters) with the business of supplying leatherwear and other fashion products for sale to Indonesia. IBB has a long-term contract with an Indonesia counterpart for the marketing and distribution of fashionable leatherwear products in Indonesia.

The Purchase Price was arrived at a willing buyer-willing seller basis after taking into consideration of the aggregate Profit After Tax of SGD4,000,000 of IBB for the financial period of 1 January 2016 to 31 December 2017 as guaranteed by Helgo in the said Sale and Purchase Agreement .

- 22.2 Bonia Corporation Berhad (“Bonia” or “Company”) had on 31 March 2016 executed 2 sets of transfer instruments [Form of Transfer of Securities (Form 32A)] to dispose of its entire equity interest in Mcolour & Design Sdn Bhd (“MCD”, direct subsidiary) representing 100,000 ordinary shares of RM1.00 each in MCD (“Sale Shares”) to the following purchasers for a total consideration of RM60,000 only (“Disposal consideration”) to be satisfied by way of cash payment within 14 days from the date of the said Forms 32A:

Purchaser	No. of Sale Shares	Disposal consideration
Cheng Nam Yuh @ Cheng Kam Yue (“CNY”)	50,000	RM30,000
Yee Yuen Fan (“YYF”)	50,000	RM30,000
Total:	100,000	RM60,000

(collectively, “Disposal”)

MCD became dormant after ceasing its business in product design, research and development in February 2015. It is not a major subsidiary and/or contributor to the revenue or profit of Bonia Group. The transaction has been completed and MCD ceased to be a wholly-owned direct subsidiary of Bonia.



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**23. Material Events Subsequent to the End of the Interim Period**

23.1 On 13 April 2016, the Company has received the Notarial Deeds in relation to the incorporation of the following new subsidiary companies in Indonesia:

1. PT Jeco Investment Indonesia (“PTJII”)

PTJII was incorporated by Jeco (Pte) Limited (“JPL”), a 70%-owned subsidiary of BCB and JPL’s wholly-owned subsidiary, Lianbee-Jeco Pte Ltd (“LJPL”) with its intended business activity to engage in the investment of real estate.

The authorised share capital of PTJII is IDR10,000,000,000 (equivalent to RM2,960,000) divided into 10,000 shares of IDR1,000,000 (equivalent to RM296) each. JPL is holding 99% of the issued and paid-up capital of PTJII of IDR2,475,000,000 (equivalent to RM732,600, or 2,475 shares) and the remaining 1% equity interest in PTJII of IDR25,000,000 (equivalent to RM7,400, or 25 shares) is held by LJPL.

2. PT CRI Mitra Sejati (“PTCMS”)

PTCMS was incorporated by CRG Incorporated Sdn Bhd (“CRG”), a wholly-owned subsidiary of BCB and CRG’s wholly-owned subsidiary, CRV Sdn Bhd (“CRV”) with its intended business activities to engage in the field of wholesale of textile goods, clothing, complementary accessories, footwear, cosmetics, watches, bags and wallets.

The authorised share capital of PTCMS is IDR10,438,400,000 (equivalent to RM3,089,766) divided into 800,000 shares of IDR13,048 (equivalent to RM3.8622) each. CRG is holding 99.50% of the issued and paid-up capital of PTCMS of IDR2,596,552,000 (equivalent to RM768,579, or 199,000 shares) and the remaining 0.50% equity interest in PTCMS of IDR13,048,000 (equivalent to RM3,862, or 1,000 shares) is held by CRV.

The incorporations of PTJII and PTCMS were not expected to have any material effect on the consolidated earnings, net assets and gearing of the Company for the financial year ending 30 June 2016.

23.2 On 10 May 2016, the dissolution of the Company’s indirect wholly-owned subsidiary company namely Guangzhou Jia Lia Bao Leather Fashion Co. Ltd. (“GJLB”), a company incorporated in the People’s Republic of China, had been completed.

GJLB has ceased its business activities and the dissolution was not expected to have any material effects on the earnings or net assets of the Company for the financial year ending 30 June 2016.

**24. Material Litigation**

*Apex Marble Sdn Bhd (“Apex Marble”) and Mcore Sdn Bhd (“Mcore”) (collectively as “Plaintiff”) vs Leong Tat Yan (“Defendant”)*

Further to the announcement on the quarterly results (under Note B12) made on 22 November 2013, the civil suit filed in the High Court of Malaya at Kuala Lumpur against the Defendant, by the 60% owned subsidiaries of the Company, the Plaintiffs filed a Notice of Appeal on 9 April 2013 against part of the decision of the High Court dated 27 March 2013 in connection with the service of cause papers on the Defendant. The Defendant also filed a Notice of Appeal against part of the decision of the High Court dated 27 March 2013 in connection with the jurisdiction and forum.

On the hearing date of 8 July 2013, the Court of Appeal allowed the Defendant’s appeal with costs of RM10,000 and the Plaintiffs’ appeal was accordingly withdrawn with no order as to costs as it was no longer sustainable.



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**24. Material Litigation (cont'd)**

After discussing with their legal advisers, the Plaintiffs (also referred to as “Applicants”) had on 7 August 2013, filed a Notice of Motion in the Federal Court for the following orders:-

- (i) the Applicants be granted leave to appeal to the Federal Court against the whole of the decision of the Court of Appeal given on the 8 July 2013 in Civil Appeal No. W-02(IM)(NCVC)-797-04/2013 pursuant to Sections 96 and 97 of the Courts of Judicature Act, 1964 read with Rules 55, 107 and/or 108 of the Federal Court Rules, 1995 and/or the inherent jurisdiction of the Federal Court.
- (ii) in the event that leave to appeal is granted by the Federal Court, the Applicants be granted leave to file and serve a Notice of Appeal to the Federal Court within 7 days from the date of the order pursuant to Rule 108 of the Federal Court Rules, 1995.
- (iii) the costs of the application filed by the Applicants be costs in the cause.
- (iv) such further or other relief of the Federal Court may deem fit.

On the hearing date of 9 November 2015, the Federal Court allowed the Applicant’s appeal and set aside the Court of Appeal’s Order dated 8 July 2013 in whole.

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

**25. Earnings Per Share**

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

**Profit for the period (basic)**

	Current year quarter 31.03.2016 RM’000	Preceding year quarter 31.03.2015 RM’000	Current year to-date 31.03.2016 RM’000	Preceding year period 31.03.2015 RM’000
Profit attributable to equity holders of the parent	4,403	14,129	20,785	40,942

**Number of ordinary shares (basic)**

	Current year quarter 31.03.2016 ’000	Preceding year quarter 31.03.2015 ’000	Current year to-date 31.03.2016 ’000	Preceding year period 31.03.2015 ’000
Weighted average number of ordinary shares	806,287	806,287	806,287	806,287



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**26. Notes to the Condensed Consolidated Statement of Comprehensive Income**

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

	3 months ended		9 months ended	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	RM'000	RM'000	RM'000	RM'000
Interest income	(162)	(151)	(478)	(537)
Other income including investment income <sup>(1)</sup>	(1,436)	(3,146)	(6,353)	(7,219)
Interest expense	1,712	1,858	5,275	4,556
Depreciation of property, plant and equipment	5,666	4,730	17,178	15,800
Amortisation of trademarks	208	338	1,687	993
Provision for and write off of receivables	80	-	567	-
Provision for and write off of inventories	-	-	-	-
Gain or loss on disposal of properties, plant and equipment	(123)	(96)	(167)	(524)
Gain or loss on disposal of quoted and/or unquoted investments <sup>(2)</sup>	-	-	-	-
Impairment of assets	-	-	-	-
Foreign exchange (gain) or loss	1,021	(373)	(778)	(1,010)
Gain or loss on derivatives <sup>(3)</sup>	-	-	-	-
Exceptional items	-	-	-	-

Notes:

(1) Including interest income and forex gain

(2) There were no purchases or disposals of quoted and/or unquoted securities for the financial period under review

(3) There were no derivative financial instruments as at the end of the financial quarter under review

26.2 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.

By Order of the Board,  
**BONIA CORPORATION BERHAD**

**CHONG CHIN LOOK**  
Group Finance Director  
Kuala Lumpur  
25 May 2016