



UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2016		
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
	As At 31 Dec 2016 RM'000 (UNAUDITED)	As At 30 Jun 2016 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	190,337	193,618
Investment properties	31,686	32,801
Intangible assets	94,776	93,171
Investments in associates	350	392
Other investments	1,309	1,298
Deferred tax assets	1,937	2,113
Trade and other receivable	11,222	10,805
Total non-current assets	331,617	334,198
CURRENT ASSETS		
Inventories	152,841	149,426
Trade and other receivables	134,467	111,719
Current tax assets	8,553	7,092
Cash and cash equivalents	112,890	103,159
Total current assets	408,751	371,396
Non-current Asset Classified As Held For Sale	-	4,136
TOTAL ASSETS	740,368	709,730
EQUITY AND LIABILITIES		
Share capital	201,572	201,572
Reserves	221,877	204,662
Total equity attributable to the owners of the parent	423,449	406,234
Non-controlling Interest	22,898	20,701
Total equity	446,347	426,935
NON-CURRENT LIABILITIES		
Long term borrowings	108,529	106,322
Trade and other payables	1,429	17,404
Provision for restoration costs	2,689	2,809
Deferred tax liabilities	6,989	6,859
Total non-current liabilities	119,636	133,394
CURRENT LIABILITIES		
Trade and other payables	116,211	98,198
Bank borrowings	52,295	48,339
Provision for restoration costs	78	87
Current tax payables	5,801	2,777
Total current liabilities	174,385	149,401
Total liabilities	294,021	282,795
TOTAL EQUITY AND LIABILITIES	740,368	709,730
	-	-
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM) :	0.53	0.50

(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 2016)



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

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 Dec 2016 RM'000	Preceding Year Corresponding Quarter 31 Dec 2015 RM'000	Current Year- To-Date 31 Dec 2016 RM'000	Preceding Year Corresponding Period 31 Dec 2015 RM'000
Revenue	171,882	178,460	309,063	343,171
Cost of sales	(72,782)	(80,855)	(129,859)	(155,986)
Gross profit	99,100	97,605	179,204	187,185
Selling and distribution expenses	(44,456)	(50,815)	(86,994)	(97,680)
General and administration expenses	(34,655)	(31,173)	(61,915)	(60,683)
Other operating income	3,084	1,888	9,350	4,917
Profit from operations	23,073	17,505	39,645	33,739
Finance costs	(2,795)	(2,861)	(5,593)	(5,445)
Share of results of associates	(28)	56	(42)	58
Profit before tax	20,250	14,700	34,010	28,352
Taxation	(6,035)	(5,709)	(10,081)	(10,021)
Profit for the period	14,215	8,991	23,929	18,331
Other comprehensive income				
Fair value loss on available-for-sale financial assets	(7)	-	(14)	-
Foreign currency exchange differences arising from consolidation	2,929	2,773	9,049	6,266
Total comprehensive income for the period	17,137	11,764	32,964	24,597
Profit attributable to :				
Owners of the parent	11,150	7,508	19,296	16,382
Non-controlling Interests	3,065	1,483	4,633	1,949
	14,215	8,991	23,929	18,331
Total comprehensive income attributable to :				
Owners of the parent	13,601	9,994	27,649	21,837
Non-controlling Interests	3,536	1,770	5,315	2,760
	17,137	11,764	32,964	24,597
Net earnings per share attributable to owners of the parent (Note 25)				
- Basic (sen)	1.38	0.93	2.39	2.03

(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 2016)



UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 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	Available-for- sale Reserve RM'000	Exchange Translation Reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Sub-total RM'000		
At 1 July 2016	201,572	(37)	7,715	-	196,984	406,234	20,701	426,935
Profit for the financial year	-	-	-	-	19,296	19,296	4,633	23,929
Fair value changes in available-for-sale financial assets	-	(14)	-	-	-	(14)	-	(14)
Foreign currency translations	-	-	8,367	-	-	8,367	682	9,049
Total comprehensive income for the period	-	(14)	8,367	-	19,296	27,649	5,315	32,964
Transaction with owners:								
Repurchase of own shares	-	-	-	(355)	-	(355)	-	(355)
Dividends paid	-	-	-	-	(10,079)	(10,079)	-	(10,079)
Dividend paid to non-controlling interests of subsidiary	-	-	-	-	-	-	(3,118)	(3,118)
Total transactions with owners	-	-	-	(355)	(10,079)	(10,434)	(3,118)	(13,552)
At 31 December 2016	201,572	(51)	16,082	(355)	206,201	423,449	22,898	446,347
At 1 July 2015	201,572	(12)	3,745	-	182,211	387,516	16,789	404,305
Profit for the financial year	-	-	-	-	16,382	16,382	1,949	18,331
Foreign currency translations	-	-	5,455	-	-	5,455	811	6,266
Total comprehensive income for the period	-	-	5,455	-	16,382	21,837	2,760	24,597
Transaction with owners:								
Dividends paid	-	-	-	-	(10,079)	(10,079)	-	(10,079)
Dividend paid to non-controlling interests of subsidiary	-	-	-	-	-	-	(1,812)	(1,812)
Total transactions with owners	-	-	-	-	(10,079)	(10,079)	(1,812)	(11,891)
At 31 December 2015	201,572	(12)	9,200	-	188,514	399,274	17,737	417,011

(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 2016)



UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2016		
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS		
	31 Dec 2016	31 Dec 2015
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	34,010	28,352
Adjustments for non-cash flow:		
Amortisation of trademarks	691	1,479
Accretion of non-current other payables	365	206
Bad debts written off	1,172	-
Depreciation of property, plant and equipment	10,266	11,512
Gain on disposal of property, plant and equipment	(3,222)	(44)
Impairment loss on :-		
- trade and other receivables	350	32
- amounts owing by associates	-	455
Interest expense	3,697	3,563
Interest income	(901)	(316)
Loss on disposal of investment properties	215	-
Properties, plant and equipment written off	228	240
Share of loss/(gain) of associates	42	(58)
Unwinding of discount on provision for restoration costs	2	5
Unrealised gain on foreign exchange, net	(1,881)	(1,223)
Operating profit before changes in working capital	45,034	44,203
Changes in working capital		
Net change in current assets	(22,626)	(19,422)
Net change in current liabilities	(2,180)	17,803
Cash generated from operations	20,228	42,584
Tax paid	(8,330)	(11,108)
Net cash from operating activities	11,898	31,476
Cash flows used in investing activities		
Interest received	901	316
Advances to associates	(2)	(550)
Proceeds from disposal of property, plant and equipment	5,994	321
Proceeds from disposal of investment properties	1,752	-
Purchase of trademarks	-	(8,975)
Purchase of property, plant and equipment	(5,961)	(16,193)
Purchase of other investments	-	(97)
Net cash from/(used in) investing activities	2,684	(25,178)
Cash flows used in financing activities		
Interest paid	(3,697)	(3,563)
Dividends paid to owners of the parent	(10,079)	(10,079)
Dividends paid to non-controlling interests	(3,118)	(1,812)
Net financing from bank borrowings	5,820	10,478
Repurchase of own shares	(355)	-
Net cash used in financing activities	(11,429)	(4,976)
Net increase in cash and cash equivalents	3,153	1,322
Cash and cash equivalents at beginning of the financial year	98,201	71,679
Effect of exchange rate changes on cash and cash equivalents	7,178	2,950
Cash and cash equivalents at end of the financial year (Note A16)	108,532	75,951

(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 2016)



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

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 2016.

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 2016.

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, 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 116 and MFRS 141	<i>Agriculture:Bearer Plants</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 2012-2014 Cycle</i>	1 January 2016
Amendments to MFRS 112	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017
Amendments to MFRS 107	<i>Disclosure Initiative</i>	1 January 2017
MFRS 15	<i>Revenue from Contracts with Customers</i>	1 January 2018
Clarification to MFRS 15		1 January 2018
MFRS 9	<i>Financial Instruments (IFRS as issued by IASB in July 2014)</i>	1 January 2018
MFRS 16	<i>Leases</i>	1 January 2019
Amendments to MFRS 10 and MFRS 128	<i>Sale or Contribution of Assets between an Investor and its associates or Joint Venture</i>	Deferred

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 DECEMBER 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 December 2016.

5. Debts and Equity Securities

During the six months ended 31 December 2016, the Company had bought back 636,000 ordinary shares of RM0.25 each of its issued share capital from the open market for a consideration of approximately RM352,980 (excluding transaction costs). The bought back transactions were financed by internally generated funds. The shares bought back are held as treasury shares.

There were no other 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 2016 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 Deed of Amendment in respect of the Sale and Purchase Agreement dated 29 January 2016 on the Acquisition of 100% equity interest in IBB Pte Ltd by Jeco (Pte) Limited, from Helgo Neugebauer (vendor) for a cash consideration of SGD6,000,000 dated 22 September 2016, the guaranteed Profit After Tax ("PAT") for the financial period of 1 January 2016 to 31 December 2016 and 1 January 2017 to 31 December 2017 respectively as warranted by the vendor has been deleted in its entirety from the relevant Sale and Purchase Agreement.

9. Dividend

A single tier final dividend of 5% or 1.25 sen per ordinary share of RM0.25 each amounting to RM10,078,593 in respect of the financial year ended 30 June 2016 was paid on 15 December 2016.

The Directors did not declare any interim dividend in respect of the financial quarter ended 31 December 2016.



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

10. Segmental Information - Operating Segments

**Results for 3 months ended 31 December 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	170,741	912	229	-	171,882
Inter-segment revenue	-	6,503	17,423	(23,926)	-
Total revenue	<u>170,741</u>	<u>7,415</u>	<u>17,652</u>	<u>(23,926)</u>	<u>171,882</u>
<i>Results</i>					
Operating results	25,832	86	7,527	(11,566)	21,879
Interest income	93	-	122	-	215
Interest expense	(514)	(89)	(1,213)	-	(1,816)
Share of results of associates	-	-	(28)	-	(28)
Segment results	<u>25,411</u>	<u>(3)</u>	<u>6,408</u>	<u>(11,566)</u>	<u>20,250</u>
Tax expense					(6,035)
Profit for the current quarter					<u>14,215</u>

**Results for 3 months ended 31 December 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	178,092	110	258	-	178,460
Inter-segment revenue	-	7,816	14,503	(22,319)	-
Total revenue	<u>178,092</u>	<u>7,926</u>	<u>14,761</u>	<u>(22,319)</u>	<u>178,460</u>
<i>Results</i>					
Operating results	16,572	898	4,624	(5,778)	16,316
Interest income	17	-	145	-	162
Interest expense	(471)	(125)	(1,238)	-	(1,834)
Share of results of associates	-	-	56	-	56
Segment results	<u>16,118</u>	<u>773</u>	<u>3,587</u>	<u>(5,778)</u>	<u>14,700</u>
Tax expense					(5,709)
Profit for the current quarter					<u>8,991</u>



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

10. Segmental Information - Operating Segments

**Results for 6 months ended 31 December 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	306,721	1,893	449	-	309,063
Inter-segment revenue	-	13,516	34,467	(47,983)	-
Total revenue	<u>306,721</u>	<u>15,409</u>	<u>34,916</u>	<u>(47,983)</u>	<u>309,063</u>
<i>Results</i>					
Operating results	41,076	399	15,724	(20,351)	36,848
Interest income	636	-	265	-	901
Interest expense	(1,075)	(204)	(2,418)	-	(3,697)
Share of results of associates	-	-	(42)	-	(42)
Segment results	<u>40,637</u>	<u>195</u>	<u>13,529</u>	<u>(20,351)</u>	<u>34,010</u>
Tax expense					(10,081)
Profit for the current quarter					<u>23,929</u>

**Results for 6 months ended 31 December 2015
(corresponding quarter 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	341,935	691	545	-	343,171
Inter-segment revenue	-	13,636	27,962	(41,598)	-
Total revenue	<u>341,935</u>	<u>14,327</u>	<u>28,507</u>	<u>(41,598)</u>	<u>343,171</u>
<i>Results</i>					
Operating results	32,028	1,166	9,004	(10,657)	31,541
Interest income	42	-	274	-	316
Interest expense	(917)	(241)	(2,405)	-	(3,563)
Share of results of associates	-	-	58	-	58
Segment results	<u>31,153</u>	<u>925</u>	<u>6,931</u>	<u>(10,657)</u>	<u>28,352</u>
Tax expense					(10,021)
Profit for the current quarter					<u>18,331</u>



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

11. Review of Performance of the Company and its Subsidiaries

2Q17 vs 2Q16

For the current quarter, the Group reported a higher profit before taxation (“PBT”) of RM20.25 million as compared to the PBT of RM14.70 million reported in the previous corresponding quarter.

Despite the revenue had dropped 3.7% to RM171.88 million, from RM178.46 million in the same period last year, PBT was higher mainly due to improvement in gross profit margin (“GPM”) and better control in operating costs. The Group has adjusted its pricing strategy by reducing discounts given out as compared to last year as well as adjusted the prices for new product ranges, in particularly for Bonia and Braun Buffel brand.

2Q17 YTD vs. 2Q16 YTD

For the 6 months FY2017, the Group’s revenue decreased by RM34.11 million or 9.9% as compared to the corresponding cumulative quarters in the preceding year. In view of the weakened consumer sentiments and softening retail environment, the Group has embarked on a series of consolidation and rationalisation process by closing down of non-performing outlets and improve productivity. This has caused the revenue dropped by 9.9% which is within our expectation.

Despite the decrease in revenue, the Group posted an improved PBT of RM34.0 million, which is 20.0% higher than the PBT of RM28.4 million reported in the preceding year. Earnings increased due to improvement in GPM as well as better control in operating costs.

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

2Q17 vs. 1Q17

For the current quarter under review, the Group recorded a better PBT of RM20.25 million as compared to RM13.76 million in the preceding quarter ended 30 September 2016.

Revenue for 2Q17 surged 25.3% to RM171.88 million as compared to RM137.18 reported in the preceding quarter due to Christmas season in December whereas the operating costs only increased by 12.8%. Hence, the PBT improved by RM6.49 million or 47.2%.

13. Prospect

The retail sector has becoming more challenging due to rising costs of doing business, weakening Ringgit has driven up the merchandise costs. The rising cost of living and weaker Ringgit has deteriorated the consumer spending power.

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 cautiously adjust its selling price to cope with falling gross margin. The Group will continue its business consolidation by closing down of non-performing outlets, undertake measures to reduce operating cost to improve margin and rationalisation of business direction to increase efficiency and productivity.

Moving forward, the Group will focus and channel the resources on house brands namely, Bonia, Braun Buffel, Carlo Rino and Sembonia, consolidate and improve the performance of its licensed brands, continue to develop and strengthen its overseas markets, in particularly Indonesia and some Middle East countries.



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

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 December 2016 comprised of corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries amounted to RM309.50 million of which utilised by these subsidiaries amounted to RM136.61 million.

16. Capital Commitments

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

	RM'000
Authorised and contracted for:	
Property, plant and equipment:	
- Others	1,817
- Renovation for offices and warehouses	127
	<u>1,944</u>

17. Cash and Cash equivalents

	31.12.2016 RM'000	31.12.2015 RM'000
Cash and bank balances	104,687	81,762
Fixed deposits with licensed banks	903	882
Short term placements with licensed banks	7,300	-
Bank overdrafts	(3,455)	(5,811)
	<u>109,435</u>	<u>76,833</u>
Less: Fixed deposit pledged	(903)	(882)
	<u>108,532</u>	<u>75,951</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 DECEMBER 2016**

18. Taxation

	Current year to-date ended 31.12.2016 RM'000	Preceding year to-date ended 31.12.2015 RM'000
Current year tax expense	9,267	10,220
Under/(Over) provision in prior year	-	-
Deferred tax expense	814	(199)
	10,081	10,021

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 28.10.2016 duly approved at the 24th AGM held on 22.11.2016 RM'000	Actual aggregate value transacted from 22.11.2016 up to 31.12.16 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"> Payment of <i>Bonia</i>, <i>Carlo Rino</i>, <i>Sembonia</i> and <i>CR2</i> trademarks royalties 	4,000	255
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"> Payment of office and warehouse rental 	2,000	161
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"> Purchase of men’s apparels Payment of <i>Valentino Rudy</i> trademark royalty 	N/A	61

19.2 The actual value transacted up to 31 December 2016 did not exceed the estimated aggregate value during the validity period of the existing shareholdings’ mandate obtained on 22 November 2016 by 10% or more.

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



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

20. Group Borrowings

The total Group borrowings and debts securities were as follows:

	31.12.2016		30.06.2016	
	Short Term Borrowing RM'000	Long Term Borrowing RM'000	Short Term Borrowing RM'000	Long Term Borrowing RM'000
<i>Conventional financing facilities</i>				
<i>- Secured</i>				
Bank overdrafts	-	-	386	-
Bankers' acceptances	2,536	-	6,665	-
Hire-purchase & lease creditors	245	499	298	295
Term loans	15,666	65,567	14,525	72,309
	<u>18,447</u>	<u>66,066</u>	<u>21,874</u>	<u>72,604</u>
<i>Islamic financing facilities - Secured</i>				
Bank overdrafts	-	-	488	-
Bankers' acceptances	-	-	2,476	-
Term financing-i	3,379	42,463	2,980	33,718
	<u>3,379</u>	<u>42,463</u>	<u>5,944</u>	<u>33,718</u>
<i>Total secured borrowings</i>	<u>21,826</u>	<u>108,529</u>	<u>27,818</u>	<u>106,322</u>
<i>Conventional financing facilities - Unsecured</i>				
Bank overdrafts	2,026	-	1,509	-
Bankers' acceptances	13,291	-	6,110	-
Trust Receipt	9,648	-	7,923	-
Term loans	-	-	560	-
	<u>24,965</u>	<u>-</u>	<u>16,102</u>	<u>-</u>
<i>Islamic financing facilities - Unsecured</i>				
Bank overdrafts	1,429	-	1,704	-
Bankers' acceptances	4,075	-	2,715	-
	<u>5,504</u>	<u>-</u>	<u>4,419</u>	<u>-</u>
<i>Total unsecured borrowings</i>	<u>30,469</u>	<u>-</u>	<u>20,521</u>	<u>-</u>
Total	<u>52,295</u>	<u>108,529</u>	<u>48,339</u>	<u>106,322</u>



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

20. Group Borrowings (cont'd)

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

	31.12.2016		30.06.2016	
	Foreign Currency '000	RM Equivalent '000	Foreign Currency '000	RM Equivalent '000
<u>Singapore Dollar</u>				
<u>Secured</u>				
Hire-purchase & lease creditors	112	347	14	43
Term Loan	3,014	9,345	4,000	11,954
Trust Receipt	516	1,600	988	2,952
	<u>3,642</u>	<u>11,292</u>	<u>5,002</u>	<u>14,949</u>
<u>Vietnamese Dong</u>				
<u>Secured</u>				
Term Loan	16,248,573	3,295	9,999,958	1,838
	<u>16,248,573</u>	<u>3,295</u>	<u>9,999,958</u>	<u>1,838</u>
<u>Singapore Dollar</u>				
<u>Unsecured</u>				
Bank overdraft	-	-	-	-
Term Loan	-	-	187	560
Trust Receipt	2,596	8,049	1,663	4,970
	<u>2,596</u>	<u>8,049</u>	<u>1,850</u>	<u>5,530</u>
<u>U.S. Dollar</u>				
<u>Unsecured</u>				
Bankers' acceptances	1,142	5,122	725	2,915
	<u>1,142</u>	<u>5,122</u>	<u>725</u>	<u>2,915</u>
Total		<u>27,758</u>		<u>25,232</u>

21. Realised and Unrealised Profits Disclosure

The breakdown of the retained profits of the Group as at 31 December 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 31.12.2016 RM'000	As at 30.06.2016 RM'000
Total retained profits of Bonia Corporation Berhad and its subsidiaries		
- Realised	241,243	224,904
- Unrealised	1,738	1,716
Total share of retained profits from associated companies		
- Realised	41	84
	<u>243,022</u>	<u>226,704</u>
Less : Consolidation adjustments	(36,821)	(29,720)
Total Group retained profits	<u>206,201</u>	<u>196,984</u>



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

22. Changes in the Composition of the Group

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

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

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

24. Material Litigation

Apex Marble Sdn Bhd and Mcore Sdn Bhd (collectively as "Plaintiffs") v 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 striking 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.

Enclosures 10 and 11 will be heard on 24th February 2017, whereas Enclosure 22 will be heard after Enclosures 10 and 11 are disposed of.

The trial has been fixed for 17th to 19th July 2017.

Save and except for 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 31.12.2016 RM'000	Preceding year quarter 31.12.2015 RM'000	Current year to-date 31.12.2016 RM'000	Preceding year period 31.12.2015 RM'000
Profit attributable to equity holders of the parent	11,150	7,508	19,296	16,382

Number of ordinary shares (basic)

	Current year quarter 31.12.2016 '000	Preceding year quarter 31.12.2015 '000	Current year to-date 31.12.2016 '000	Preceding year period 31.12.2015 '000
Weighted average number of ordinary shares	806,287	806,287	806,287	806,287



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

26. Notes to the Condensed Consolidated Statement of Comprehensive Income

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

	6 months ended	
	31.12.2016	31.12.2015
	RM'000	RM'000
Interest income	(901)	(316)
Other income including investment income ⁽¹⁾	(9,350)	(4,917)
Interest expense	3,697	3,563
Depreciation of property, plant and equipment	10,266	11,512
Amortisation of trademarks	691	1,479
Provision for and write off of receivables	1,522	487
Provision for and write off of inventories	-	-
Gain or loss on disposal of properties, plant and equipment	(3,222)	(44)
Gain or loss on disposal of investment properties	215	-
Gain or loss on disposal of quoted and/or unquoted investments	-	-
Foreign exchange (gain) or loss	(1,984)	(1,799)
Gain or loss on derivatives ⁽²⁾	-	-
PPE written off	228	240
Exceptional items	-	-

Notes:

- (1) Including interest income and forex gain
(2) 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
27 February 2017