



| <b>UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2018</b>            |   |                               |
|--|---|-------------------------------|
| <b>CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>                            |   |                               |
|  | <b>As At<br/>31 Mar 2018<br/>RM'000<br/>(UNAUDITED)</b> | <b>30 Jun 2017<br/>RM'000</b> |
| <b>ASSETS</b>  |   |                               |
| <b>NON-CURRENT ASSETS</b>  |   |                               |
| Property, plant and equipment  | 142,469   | 183,125                       |
| Investment properties  | 34,544  | 34,544                        |
| Intangible assets  | 89,890  | 90,145                        |
| Investments in associates  | 1,132   | 679                           |
| Other investments  | 1,242   | 1,299                         |
| Deferred tax assets  | 2,173   | 2,501                         |
| Trade and other receivable   | 10,589  | 11,197                        |
| <b>Total non-current assets</b>  | <b>282,039</b>  | <b>323,490</b>                |
| <b>CURRENT ASSETS</b>  |   |                               |
| Inventories  | 114,238   | 132,938                       |
| Trade and other receivables  | 81,995  | 121,783                       |
| Current tax assets   | 5,146   | 8,209                         |
| Short term funds   | 17,533  | 4,942                         |
| Cash and cash equivalents  | 92,499  | 119,648                       |
| <b>Total current assets</b>  | <b>311,411</b>  | <b>387,520</b>                |
| * Assets of disposal group classified as held for distribution                           | 97,646  | -                             |
| <b>TOTAL ASSETS</b>  | <b>691,096</b>  | <b>711,010</b>                |
| <b>EQUITY AND LIABILITIES</b>  |   |                               |
| Share capital  | 201,572   | 201,572                       |
| Reserves   | 234,470   | 231,358                       |
| <b>Total equity attributable to the owners of the parent</b>                             | <b>436,042</b>  | <b>432,930</b>                |
| <b>Non-controlling Interest</b>  | <b>25,778</b>   | <b>22,337</b>                 |
| <b>Total equity</b>  | <b>461,820</b>  | <b>455,267</b>                |
| <b>NON-CURRENT LIABILITIES</b>   |   |                               |
| Long term borrowings   | 62,038  | 98,225                        |
| Trade and other payables   | 210   | 4,978                         |
| Provision for restoration costs  | 2,726   | 3,443                         |
| Deferred tax liabilities   | 8,363   | 8,525                         |
| <b>Total non-current liabilities</b>   | <b>73,337</b>   | <b>115,171</b>                |
| <b>CURRENT LIABILITIES</b>   |   |                               |
| Trade and other payables   | 64,413  | 90,929                        |
| Bank borrowings  | 61,682  | 44,601                        |
| Provision for restoration costs  | 59  | 110                           |
| Current tax payables   | 2,746   | 4,932                         |
| <b>Total current liabilities</b>   | <b>128,900</b>  | <b>140,572</b>                |
| * Liabilities of disposal group classified as held for distribution                      | 27,039  | -                             |
| <b>Total liabilities</b>   | <b>229,276</b>  | <b>255,743</b>                |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <b>691,096</b>  | <b>711,010</b>                |
|  | -   | -                             |
| <b>NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM) :</b> | <b>0.54</b>   | <b>0.54</b>                   |

\* The disposal group is in respect of the assets and liabilities of CRG Group which are held for distribution to shareholders of the Company as disclosed in Note 6 of this interim report.

*(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 2017)*



| UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2018<br>CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME |  |   |   |  |
|--|--|---|---|--|
|  | Individual Quarter                               |   | Cumulative Quarter                                |  |
|  | Current Year<br>Quarter<br>31 Mar 2018<br>RM'000 | Preceding Year<br>Corresponding<br>Quarter<br>31 Mar 2017<br>RM'000 | Current Year-<br>To-Date<br>31 Mar 2018<br>RM'000 | Preceding Year<br>Corresponding<br>Period<br>31 Mar 2017<br>RM'000 |
| <b>CONTINUING OPERATIONS</b>   |  |   |   |  |
| <b>Revenue</b>   | <b>104,224</b>                                   | <b>129,701</b>  | <b>329,813</b>                                    | <b>390,789</b>   |
| Cost of sales  | (39,613)   | (52,165)  | (126,929)   | (161,342)  |
| Gross profit   | <b>64,611</b>                                    | <b>77,536</b>   | <b>202,884</b>                                    | <b>229,447</b>   |
| Selling and distribution expenses  | (36,624)   | (41,347)  | (110,370)   | (114,988)  |
| General and administration expenses  | (26,040)   | (26,685)  | (71,079)  | (81,130)   |
| Other operating income   | 1,599  | 2,165   | 4,922   | 10,119   |
| <b>Profit from operations</b>  | <b>3,546</b>                                     | <b>11,669</b>   | <b>26,357</b>                                     | <b>43,448</b>  |
| Finance income   | 486  | 449   | 1,543   | 1,313  |
| Finance costs  | (1,582)  | (1,639)   | (4,600)   | (4,967)  |
| Share of results of associates   | 231  | 211   | 453   | 169  |
| <b>Profit before tax</b>   | <b>2,681</b>                                     | <b>10,690</b>   | <b>23,753</b>                                     | <b>39,963</b>  |
| Taxation   | (1,563)  | (2,946)   | (7,826)   | (11,658)   |
| <b>Profit from continuing operations</b>   | <b>1,118</b>                                     | <b>7,744</b>  | <b>15,927</b>                                     | <b>28,305</b>  |
| <b>DISCONTINUED OPERATIONS*</b>  |  |   |   |  |
| Profit from discontinued operations, net of tax  | 1,140  | (780)   | 2,877   | 2,588  |
| Profit for the period  | <b>2,258</b>                                     | <b>6,964</b>  | <b>18,804</b>                                     | <b>30,893</b>  |
| <b>Other comprehensive income</b>  |  |   |   |  |
| <b>Other comprehensive income from continuing operations</b>   |  |   |   |  |
| Fair value loss on available-for-sale financial assets   | (7)  | (7)   | (21)  | (21)   |
| Foreign currency exchange differences arising from consolidation   | (2,382)  | 2,969   | (1,590)   | 11,742   |
| <b>Discontinued operations</b>   |  |   |   |  |
| Other comprehensive income from discontinuing operations   | (76)   | (87)  | (569)   | 189  |
| <b>Total comprehensive income for the period</b>   | <b>(207)</b>                                     | <b>9,839</b>  | <b>16,624</b>                                     | <b>42,803</b>  |
| <b>Profit attributable to :</b>  |  |   |   |  |
| Owners of the parent   |  |   |   |  |
| - from continuing operations   | 142  | 5,538   | 11,715  | 21,466   |
| - from discontinued operations   | 1,140  | (780)   | 2,877   | 2,588  |
|  | <b>1,282</b>                                     | <b>4,758</b>  | <b>14,592</b>                                     | <b>24,054</b>  |
| Non-controlling Interests  |  |   |   |  |
| - from continuing operations   | 976  | 2,206   | 4,212   | 6,839  |
| - from discontinued operations   | -  | -   | -   | -  |
|  | <b>2,258</b>                                     | <b>6,964</b>  | <b>18,804</b>                                     | <b>30,893</b>  |
| <b>Total comprehensive income attributable to :</b>  |  |   |   |  |
| Owners of the parent   |  |   |   |  |
| - from continuing operations   | (1,860)  | 8,366   | 10,875  | 32,371   |
| - from discontinued operations   | 1,064  | (867)   | 2,308   | 2,777  |
|  | (796)  | 7,499   | 13,183  | 35,148   |
| Non-controlling Interests  |  |   |   |  |
| - from continuing operations   | 589  | 2,340   | 3,441   | 7,655  |
| - from discontinued operations   | -  | -   | -   | -  |
|  | <b>(207)</b>                                     | <b>9,839</b>  | <b>16,624</b>                                     | <b>42,803</b>  |
| <b>Net earnings per share attributable to owners of the parent (Note 26)</b>   |  |   |   |  |
| - from continuing operations   | 0.02   | 0.69  | 1.45  | 2.66   |
| - from discontinued operations   | 0.14   | (0.10)  | 0.36  | 0.32   |
| - Basic (sen)  | 0.16   | 0.59  | 1.81  | 2.98   |

\* : Pursuant to the corporate proposal as disclosed in Note 6 of this interim report, the disposal group held for distribution is presented as discontinued operations in line with the requirements of MFRS 5 *Non-current Assets held for Sale and Discontinued Operations*.

(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 2017)



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2018**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

|  | ← Attributable to owners of the parent → |                                      |  |                           |                             |                     | Non-controlling interests<br>RM'000 | Total Equity<br>RM'000 |
|--|--|--------------------------------------|--|---------------------------|-----------------------------|---------------------|-------------------------------------|------------------------|
|  | ← Non-Distributable →                    |                                      |  | Distributable             |                             |                     |                                     |                        |
|  | Share Capital<br>RM'000                  | Available-for-sale Reserve<br>RM'000 | Exchange Translation Reserve<br>RM'000 | Treasury Shares<br>RM'000 | Retained Earnings<br>RM'000 | Sub-total<br>RM'000 |                                     |                        |
| <b>At 1 July 2017</b>                                      | 201,572                                  | (65)                                 | 13,622                                 | (355)                     | 218,156                     | 432,930             | 22,337                              | 455,267                |
| Profit for the financial year                              | -  | -                                    | -                                      | -                         | 14,592                      | 14,592              | 4,212                               | 18,804                 |
| Fair value of available-for-sale financial assets          | -  | (21)                                 | -                                      | -                         | -                           | (21)                | -                                   | (21)                   |
| Foreign currency translations                              | -  | -                                    | (1,388)                                | -                         | -                           | (1,388)             | (771)                               | (2,159)                |
| <b>Total comprehensive income for the period</b>           | -  | (21)                                 | (1,388)                                | -                         | 14,592                      | 13,183              | 3,441                               | 16,624                 |
| Transaction with owners:                                   |  |                                      |  |                           |                             |                     |                                     |                        |
| Dividends paid   | -  | -                                    | -                                      | -                         | (10,071)                    | (10,071)            | -                                   | (10,071)               |
| Dividend paid to non-controlling interests of subsidiary   | -  | -                                    | -                                      | -                         | -                           | -                   | -                                   | -                      |
| <b>Total transactions with owners</b>                      | -  | -                                    | -                                      | -                         | (10,071)                    | (10,071)            | -                                   | (10,071)               |
| <b>At 31 March 2018</b>                                    | <b>201,572</b>                           | <b>(86)</b>                          | <b>12,234</b>                          | <b>(355)</b>              | <b>222,677</b>              | <b>436,042</b>      | <b>25,778</b>                       | <b>461,820</b>         |
| <b>At 1 July 2016</b>                                      | 201,572                                  | (37)                                 | 7,715                                  | -                         | 196,984                     | 406,234             | 20,701                              | 426,935                |
| Remeasurement period adjustments                           | -  | -                                    | (5)                                    | -                         | (483)                       | (488)               | (207)                               | (695)                  |
| Restated balance as at 1 July 2016                         | 201,572                                  | (37)                                 | 7,710                                  | -                         | 196,501                     | 405,746             | 20,494                              | 426,240                |
| Profit for the financial year                              | -  | -                                    | -                                      | -                         | 24,054                      | 24,054              | 6,839                               | 30,893                 |
| Fair value of available-for-sale financial assets          | -  | (21)                                 | -                                      | -                         | -                           | (21)                | -                                   | (21)                   |
| Foreign currency translations                              | -  | -                                    | 11,115                                 | -                         | -                           | 11,115              | 816                                 | 11,931                 |
| <b>Total comprehensive income for the period</b>           | -  | (21)                                 | 11,115                                 | -                         | 24,054                      | 35,148              | 7,655                               | 42,803                 |
| Transaction with owners:                                   |  |                                      |  |                           |                             |                     |                                     |                        |
| Repurchase of treasury shares                              | -  | -                                    | -                                      | (355)                     | -                           | (355)               | -                                   | (355)                  |
| Dividends  | -  | -                                    | -                                      | -                         | (10,079)                    | (10,079)            | -                                   | (10,079)               |
| Dividend paid to non-controlling interests of subsidiaries | -  | -                                    | -                                      | -                         | -                           | -                   | (6,425)                             | (6,425)                |
| <b>Total transactions with owners</b>                      | -  | -                                    | -                                      | (355)                     | (10,079)                    | (10,434)            | (6,425)                             | (16,859)               |
| <b>At 31 March 2017</b>                                    | <b>201,572</b>                           | <b>(58)</b>                          | <b>18,825</b>                          | <b>(355)</b>              | <b>210,476</b>              | <b>430,460</b>      | <b>21,724</b>                       | <b>452,184</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 2017)



| <b>UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2018</b>        |                    |                    |
|--|--------------------|--------------------|
| <b>CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS</b>                                |                    |                    |
|  | <b>31 Mar 2018</b> | <b>31 Mar 2017</b> |
|  | <b>RM'000</b>      | <b>RM'000</b>      |
| <b>Cash flows from operating activities</b>  |                    |                    |
| Profit before tax  |                    |                    |
| From continuing operations   | 23,753             | 39,963             |
| From discontinued operations   | 4,486              | 3,874              |
|  | 28,239             | 43,837             |
| Adjustments for non-cash flow:   |                    |                    |
| Accretion of non-current other payables  | 66                 | 523                |
| Amortisation of trademarks   | 1,033              | 1,036              |
| Amortisation of intangible assets  | 1,885              | -                  |
| Bad debts written off  | 1,416              | 1,259              |
| Depreciation of property, plant and equipment  | 12,613             | 15,001             |
| Gain on disposals of property, plant and equipment, net                              | (139)              | (3,291)            |
| Impairment loss on :-  |                    |                    |
| - trade and other receivables  | 184                | 454                |
| Interest expense and profit payment on Islamic financing                             | 5,217              | 5,519              |
| Interest income & distribution income from short term funds                          | (1,617)            | (1,351)            |
| Fair value gain on short term funds  | (146)              | -                  |
| Loss on disposal of investment properties  | -                  | 266                |
| Property, plant and equipment written off  | 682                | 343                |
| Reversal of impairment losses on trade and other receivables                         | (694)              | (856)              |
| Share of profit of associates  | (453)              | (169)              |
| Unwinding of discount on provision for restoration costs                             | (5)                | (4)                |
| Unrealised loss/(gain) on foreign exchange, net                                      | 2,717              | (1,700)            |
| <b>Operating profit before changes in working capital</b>                            | <b>50,998</b>      | <b>60,867</b>      |
| Changes in working capital   |                    |                    |
| Net change in current assets   | (1,606)            | 19,825             |
| Net change in current liabilities  | (22,000)           | (19,754)           |
| <b>Cash generated from operations</b>  | <b>27,392</b>      | <b>60,938</b>      |
| Tax paid   | (10,057)           | (13,243)           |
| <b>Net cash from operating activities</b>  | <b>17,335</b>      | <b>47,695</b>      |
| <b>Cash flows used in investing activities</b>                                       |                    |                    |
| Interest received  | 1,617              | 1,351              |
| Advances to associates   | (97)               | (2)                |
| Placements of short term funds   | (12,445)           | -                  |
| Proceeds from disposal of property, plant and equipment                              | 226                | 2,549              |
| Purchase of trademarks   | -                  | (1)                |
| Proceeds from disposal of investment properties                                      | -                  | 6,135              |
| Purchase of property, plant and equipment  | (7,783)            | (9,455)            |
| <b>Net cash (used in)/from investing activities</b>                                  | <b>(18,482)</b>    | <b>577</b>         |
| <b>Cash flows used in financing activities</b>                                       |                    |                    |
| Interest paid and profit paid on Islamic financing                                   | (5,217)            | (5,519)            |
| Dividends paid to owners of the parent   | (10,071)           | (10,079)           |
| Dividends paid to non-controlling interests  | -                  | (6,425)            |
| Net financing from bank borrowings   | 2,835              | (7,493)            |
| Repurchase of own shares   | -                  | (355)              |
| <b>Net cash used in financing activities</b>   | <b>(12,453)</b>    | <b>(29,871)</b>    |
| <b>Net (decrease)/increase in cash and cash equivalents</b>                          | <b>(13,600)</b>    | <b>18,401</b>      |
| <b>Cash and cash equivalents at beginning of financial year</b>                      | <b>114,991</b>     | <b>98,201</b>      |
| <b>Effects of exchange rate changes on cash and cash equivalents</b>                 | <b>1,472</b>       | <b>8,777</b>       |
| <b>Cash and cash equivalents transferred to disposal group held for distribution</b> | <b>(14,779)</b>    | <b>(18,137)</b>    |
| <b>Cash and cash equivalents at end of financial year (Note A17)</b>                 | <b>88,084</b>      | <b>107,242</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 2017)*



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

**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 2017.

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 2017.

**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 2017.

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 2017***

|                                    |   |                                 |
|------------------------------------|---|---------------------------------|
| 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                  |
| Amendments to MFRS 12              | <i>Annual Improvements to MFRS Standards 2014-2016 Cycle</i>                                  | 1 January 2017                  |
| Amendments to MFRS 1               | <i>Annual Improvements to MFRS Standards 2014-2016 Cycle</i>                                  | 1 January 2018                  |
| 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                  |
| Amendments to MFRS 2               | <i>Classification and Measurement of Share-based Payment Transactions</i>                     | 1 January 2018                  |
| Amendments to MFRS 128             | <i>Annual Improvements to MFRS Standards 2014-2016 Cycle</i>                                  | 1 January 2018                  |
| IC Interpretation 22               | <i>Foreign Currency Transactions and Advance Consideration</i>                                | 1 January 2018                  |
| Amendments to MFRS 140             | <i>Transfers of Investment Property</i>   | 1 January 2018                  |
| Amendments to MFRS 4               | <i>Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts</i>                  | See MFRS 4 Paragraphs 46 and 48 |
| MFRS 16                            | <i>Leases</i>   | 1 January 2019                  |
| IC Interpretation 23               | <i>Uncertainty over Income Tax Treatments</i>   | 1 January 2019                  |
| MFRS 17                            | <i>Insurance Contracts</i>  | 1 January 2021                  |
| Amendments to MFRS 10 and MFRS 128 | <i>Sale or Contribution of Assets between an Investor and its Associates or Joint Venture</i> | Deferred                        |



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

**2. Accounting Policies (con't)**

*MFRS and Amendments effective for financial periods beginning on or after 1 January 2017 (cont')*

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

**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 30 June 2017.

**5. Debts and Equity Securities**

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**

6.1 Proposed Listing

Pursuant to the Company's announcements dated 7 February 2018, 15 March 2018, 10 April 2018, 8 May 2018 and 25 May 2018 respectively in relation to the following proposals:

- (i) proposed demerger of CRG Incorporated Sdn Bhd ("CRG") and its subsidiaries ("CRG Group") from Bonia, which includes the following proposals:
  - (a) proposed capitalisation of part of the dividend to be declared by CRG and CB Marketing Sdn Bhd ("CB Marketing") (both are wholly-owned subsidiaries of Bonia) ("Proposed Capitalisation");
  - (b) proposed subdivision of all the ordinary shares in issue in CRG after the Proposed Capitalisation into up to 806,287,400 ordinary shares in CRG ("CRG Share") ("Proposed Subdivision");
  - (c) proposed conversion of CRG into a public limited company ("Proposed Conversion"); and
  - (d) proposed distribution of Bonia's entire shareholding in CRG by way of dividend-in-specie on a pro-rata distribution to the entitled shareholders of Bonia whose names appear in Bonia's Record of Depositors on an entitlement date to be determined later ("Entitlement Date") ("Entitled Shareholders") ("Proposed Dividend-in-Specie"), (collectively, the "Proposed Demerger"); and
- (ii) proposed listing of CRG Group on the LEAP Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Proposed Listing").

the Proposed Demerger and the Proposed Listing are still pending completion as at the date of this Report.



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

**6. Status of Corporate Proposals (cont'd)**

As such, the assets and liabilities of CRG Group is now classified in the consolidated statement of financial position under assets of disposal group held for distribution and liabilities of disposal group held for distribution. Their financial performance and cash flows are presented separately as discontinued operations in the consolidated statements of profit or loss, comprehensive income and cash flows.

**6.2 Proposed Disposal**

Pursuant to the Company's announcements dated 8 May 2018 and 15 May 2018 respectively in relation to the Proposed Disposal by Bonia to Mr. Chiang Sang Sem of its entire equity interest in Maha Asia Capital Sdn. Bhd., a wholly-owned subsidiary of Bonia (collectively, "Proposed Disposal"), the Proposed Disposal is still pending completion as at the date of this Report.

The financial performance and effects of the Proposed Disposal would be assessed in the forthcoming Quarterly Report.

Save as disclosed, 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 2017 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.

**9. Dividend**

The Directors did not declare any interim dividend in respect of the financial quarter ended 31 March 2018. The total dividend for the current financial year to date comprised a single tier final dividend of 1.25 sen per ordinary share amounting to approximately RM10,070,043 in respect of the financial year ended 30 June 2017, and was paid on 22 December 2017.



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

**10. Segmental Information**

The Group operates mainly in Malaysia, Singapore, Indonesia and Vietnam. The revenue disclosed in geographical segments is based on the geographical location of customers. Segment assets are based on geographical locations of the assets. The Group's segmental results for the financial period ended 31 March 2018 are as follows:-

|   | ← Retailing →      |                     |                     |                   |                              | Manufac-<br>turing | Investment &<br>property<br>developmt | Total<br>Continuing<br>operations | Discont'd<br>Operations | Total    |
|---|--------------------|---------------------|---------------------|-------------------|------------------------------|--------------------|---------------------------------------|-----------------------------------|-------------------------|----------|
|   | Malaysia<br>RM'000 | Singapore<br>RM'000 | Indonesia<br>RM'000 | Vietnam<br>RM'000 | Other<br>countries<br>RM'000 |                    |                                       |                                   |                         |          |
| <b>3rd quarter YTD<br/>- 31.03.2018</b> |                    |                     |                     |                   |                              | RM'000             | RM'000                                | RM'000                            | RM'000                  | RM'000   |
| <b><u>Revenue</u></b>                   |                    |                     |                     |                   |                              |                    |                                       |                                   |                         |          |
| Total Revenue                           | 197,242            | 97,976              | 21,660              | 3,276             | 8,236                        | 19,894             | 38,399                                | 386,683                           | 86,662                  | 473,345  |
| Inter-segment sales                     | -                  | -                   | -                   | -                 | -                            | (19,412)           | (35,123)                              | (54,535)                          | (9,187)                 | (63,722) |
| Inter-operations sales*                 | (3)                | -                   | -                   | -                 | -                            | -                  | (2,332)                               | (2,335)                           | (245)                   | (2,580)  |
| External sales                          | 197,239            | 97,976              | 21,660              | 3,276             | 8,236                        | 482                | 944                                   | 329,813                           | 77,230                  | 407,043  |
| <b><u>Results</u></b>                   |                    |                     |                     |                   |                              |                    |                                       |                                   |                         |          |
| <b>Operating profit/(loss)</b>          | 19,101             | 8,266               | 914                 | (348)             | -                            | (50)               | (1,526)                               | 26,357                            | 5,029                   | 31,386   |
| Interest income                         | 395                | 626                 | 6                   | -                 | -                            | -                  | 516                                   | 1,543                             | 74                      | 1,617    |
| Finance costs                           | (690)              | (489)               | (29)                | (77)              | -                            | (184)              | (3,131)                               | (4,600)                           | (617)                   | (5,217)  |
| Net finance<br>income/(expense)         | (295)              | 137                 | (23)                | (77)              | -                            | (184)              | (2,615)                               | (3,057)                           | (543)                   | (3,600)  |
| Share of profit of<br>associates        | -                  | -                   | -                   | -                 | -                            | -                  | 453                                   | 453                               | -                       | 453      |
| <b>Porfit before tax</b>                | 18,806             | 8,403               | 891                 | (425)             | -                            | (234)              | (3,688)                               | 23,753                            | 4,486                   | 28,239   |
| <b>Segment assets</b>                   | 198,191            | 114,280             | 24,351              | 3,745             | -                            | 25,060             | 220,504                               | 586,131                           | 94,983                  | 681,114  |
| <b>Segment liabilities</b>              | 36,945             | 55,624              | 3,304               | 1,518             | -                            | 5,652              | 88,085                                | 191,128                           | 26,757                  | 217,885  |

\* : Inter-operations sales within continuing operations and discontinued operations.





**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

**10. Segmental Information (cont'd)**

|                                     | Retailing          |                     |                     |                   |                           | Manufacturing | Investment & property developmt | Total continuing operations | Discont'd Operations | Total    |
|-------------------------------------|--------------------|---------------------|---------------------|-------------------|---------------------------|---------------|---------------------------------|-----------------------------|----------------------|----------|
|                                     | Malaysia<br>RM'000 | Singapore<br>RM'000 | Indonesia<br>RM'000 | Vietnam<br>RM'000 | Other countries<br>RM'000 |               |                                 |                             |                      |          |
| <b>3rd quarter YTD - 31.03.2017</b> |                    |                     |                     |                   |                           |               |                                 |                             |                      |          |
| <b><u>Revenue</u></b>               |                    |                     |                     |                   |                           |               |                                 |                             |                      |          |
| Total Revenue                       | 226,367            | 112,756             | 31,614              | 6,273             | 11,322                    | 20,377        | 43,378                          | 452,087                     | 76,095               | 528,182  |
| Inter-segment sales                 | -                  | -                   | -                   | -                 | -                         | (18,162)      | (40,801)                        | (58,963)                    | (6,782)              | (65,745) |
| Inter-operations sales*             | (373)              | -                   | -                   | -                 | -                         | -             | (1,962)                         | (2,335)                     | (327)                | (2,662)  |
| External sales                      | 225,994            | 112,756             | 31,614              | 6,273             | 11,322                    | 2,215         | 615                             | 390,789                     | 68,986               | 459,775  |
| <b><u>Results</u></b>               |                    |                     |                     |                   |                           |               |                                 |                             |                      |          |
| <b>Operating profit/(loss)</b>      | 22,288             | 21,043              | 1,768               | 1,065             | -                         | (424)         | (2,292)                         | 43,448                      | 4,388                | 47,836   |
| Interest income                     | 163                | 646                 | 72                  | -                 | -                         | -             | 432                             | 1,313                       | 38                   | 1,351    |
| Finance costs                       | (821)              | (636)               | (3)                 | (128)             | -                         | (195)         | (3,184)                         | (4,967)                     | (552)                | (5,519)  |
| Net finance income/(expense)        | (658)              | 10                  | 69                  | (128)             | -                         | (195)         | (2,752)                         | (3,654)                     | (514)                | (4,168)  |
| Share of profit of associates       | -                  | -                   | -                   | -                 | -                         | -             | 169                             | 169                         | -                    | 169      |
| <b>Porfit before tax</b>            | 21,630             | 21,053              | 1,837               | 937               | -                         | (619)         | (4,875)                         | 39,963                      | 3,874                | 43,837   |
| <b>Segment assets</b>               | 256,152            | 130,742             | 29,198              | 5,167             | -                         | 30,524        | 252,300                         | 704,083                     | -                    | 704,083  |
| <b>Segment liabilities</b>          | 43,936             | 71,795              | 5,058               | 4,724             | -                         | 10,197        | 115,206                         | 250,916                     | -                    | 250,916  |

\*: Inter-operations sales within continuing operations and discontinued operations.



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

**11. Performance Review**

**11.1 Table 1: Financial review for current quarter**  
3Q FY2018 vs 3Q FY2017

|                                     | Quarter ended 31 March |         | Increase/(Decrease) |         |
|-------------------------------------|------------------------|---------|---------------------|---------|
|                                     | 2018                   | 2017    |                     |         |
|                                     | RM'000                 | RM'000  | RM'000              | %       |
| <b>Continuing Operations</b>        |                        |         |                     |         |
| <b>Revenue</b>                      |                        |         |                     |         |
| - Retailing                         |                        |         |                     |         |
| • Malaysia                          | 65,457                 | 76,699  | (11,242)            | (14.7)  |
| • Singapore                         | 28,784                 | 36,653  | (7,869)             | (21.5)  |
| • Indonesia                         | 6,981                  | 9,946   | (2,965)             | (29.8)  |
| • Vietnam                           | 957                    | 1,981   | (1,024)             | (51.7)  |
| • Other countries                   | 1,774                  | 3,935   | (2,161)             | (54.9)  |
| Total overseas market               | 38,496                 | 52,515  | (14,019)            | (26.7)  |
| - Manufacturing                     | 40                     | 322     | (282)               | (87.6)  |
| - Investment & property development | 231                    | 165     | 66                  | 40.0    |
|                                     | 104,224                | 129,701 | (25,477)            | (19.6)  |
| <b>Operating profit/(loss)</b>      |                        |         |                     |         |
| - Retailing                         |                        |         |                     |         |
| • Malaysia                          | 4,923                  | 7,266   | (2,343)             | (32.2)  |
| • Singapore                         | (596)                  | 4,719   | (5,315)             | (112.6) |
| • Indonesia                         | 532                    | 788     | (256)               | (32.5)  |
| • Vietnam                           | (408)                  | 164     | (572)               | (348.8) |
| • Other countries                   | -                      | -       | -                   | -       |
| Total overseas market               | (472)                  | 5,671   | (6,143)             | (108.3) |
| - Manufacturing                     | (80)                   | (333)   | 253                 | (76.0)  |
| - Investment & property development | (825)                  | (935)   | 110                 | (11.8)  |
|                                     | 3,546                  | 11,669  | (8,123)             | (69.6)  |
| Interest income                     | 486                    | 449     | 37                  | 8.2     |
| Finance costs                       | (1,582)                | (1,639) | 57                  | (3.5)   |
| Share of results of an associate    |                        |         |                     |         |
|                                     | 231                    | 211     | 20                  | 9.5     |
| Profit Before Taxation              | 2,681                  | 10,690  | (8,009)             | (74.9)  |
| Taxation                            | (1,563)                | (2,946) | 1,383               | (46.9)  |
| Profit from continuing operations   | 1,118                  | 7,744   | (6,626)             | (85.6)  |
| Profit from Discontinued operations | 1,140                  | (780)   | 1,920               | 246.2   |
| <b>Profit for the quarter</b>       | 2,258                  | 6,964   | (4,706)             | (67.6)  |

|                                | Quarter ended 31 March |        | Increase/(Decrease) |         |
|--------------------------------|------------------------|--------|---------------------|---------|
|                                | 2018                   | 2017   |                     |         |
|                                | RM'000                 | RM'000 | RM'000              | %       |
| <b>Discontinued Operations</b> |                        |        |                     |         |
| <b>Revenue</b>                 |                        |        |                     |         |
|                                | 23,592                 | 21,011 | 2,581               | 12.3    |
| Operating profit               | 1,756                  | (681)  | 2,437               | (357.9) |
| Interest income                | 48                     | 1      | 47                  | 4700.0  |
| Finance costs                  | (197)                  | (183)  | (14)                | 7.7     |
| Profit before tax              | 1,607                  | (863)  | 2,470               | (286.2) |
| Taxation                       | (467)                  | 83     | (550)               | (662.7) |
| <b>Profit for the quarter</b>  | 1,140                  | (780)  | 1,920               | (246.2) |



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

**11. Performance Review (cont'd)**

**11.1 Table 1: Financial review for current quarter (cont'd)**

*3Q FY2018 vs 3Q FY2017 (cont'd)*

Continuing Operations

In *3Q FY2018*, the Group reported a decrease of 19.6% in revenue to RM104.22 million as compared to RM129.70 million recorded in *3Q FY2017*. The decrease in revenue was anticipated due to closure of certain inefficient counters as part of the Group's rationalisation process.

The Profit before tax ("PBT") has dropped to RM2.68 million as compared to RM10.69 million recorded in *3Q FY2017* as a result of a significant drop in PBT from Singapore operations.

*Retailing Segment*

Malaysia (Local Market)

Revenue contributed by the local market decreased by RM11.24 million or 14.7% as compared to *3Q FY2017* due to closing down of non performing outlets.

As a result of reduction in revenue coupled with bad debt written off amounting to RM1.09 million, the operating profit decreased to RM4.92 million as compared to *3Q FY2017* of RM7.27 million.

Overseas Market

Revenue was 26.7% or RM14.02 million lower than the *3Q FY2017* mainly due to a significant drop in export sales. Apart from the lower export sales to ASEAN and Middle East countries by RM2.16 million, export sales generated by Singapore subsidiaries also reduced by RM3.74 million.

Overall weak consumer sentiment coupled with closure of certain inefficient counters as part of the Group's rationalisation process had resulted the retail sales in overseas market dropped significantly (particularly, Singapore market which reported a drop of RM3.58 million).

Following the decline in revenue, the overseas market reported an operating loss of RM0.47 million as compared to operating profit recorded in *3Q FY2017* of RM5.67 million.

*Manufacturing*

Revenue decreased by approximately 87.6% as compared to *3Q FY2017* resulted from soft retail market. However, the operating loss for the current quarter dropped to RM0.08 million as compared to *3Q FY2017* of RM0.33 million due to increase in gross profit margin and also other income of RM0.12 million (comprising unrealised and realised forex gain).



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

**11. Performance Review (cont'd)**

**11.1 Table 1: Financial review for current quarter (cont'd)**

*3Q FY2018 vs 3Q FY2017 (cont'd)*

*Investment and property development*

Due to the soft property market, revenue derived mainly from rented investment properties has increased by RM0.07 million or 40.0% as compared to 3Q FY2017. The operating loss for the current quarter has decreased to RM0.83 million as compared to the corresponding quarter of RM0.94 million, a decrease of RM0.11 million or 11.8% mainly due to decreased in administration expenses, particularly staff cost.

Discontinued Operations

Revenue increased by RM2.58 million or 12.3% as compared to the corresponding quarter due to more promotional activities launched to drive sales. The operating profit for the current quarter increased to RM1.76 million as compared to loss in corresponding quarter of RM0.68 million as a result of increase in revenue coupled with the decreased in administration costs.



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

**11.2 Table 1: Financial review for current financial period vs corresponding last financial period**

*3Q YTD FY2018 vs 3Q YTD FY2017*

|                                     | 9 Months Ended |            | Increase/(Decrease) |         |
|-------------------------------------|----------------|------------|---------------------|---------|
|                                     | 31.03.2018     | 31.03.2017 |                     |         |
|                                     | RM'000         | RM'000     | RM'000              | %       |
| <b>Continuing Operations</b>        |                |            |                     |         |
| <b>Revenue</b>                      |                |            |                     |         |
| - Retailing                         |                |            |                     |         |
| • Malaysia                          | 197,239        | 225,994    | (28,755)            | (12.7)  |
| • Singapore                         | 97,976         | 112,756    | (14,780)            | (13.1)  |
| • Indonesia                         | 21,660         | 31,614     | (9,954)             | (31.5)  |
| • Vietnam                           | 3,276          | 6,273      | (2,997)             | (47.8)  |
| • Other countries                   | 8,236          | 11,322     | (3,086)             | (27.3)  |
| Total overseas market               | 131,148        | 161,965    | (30,817)            | (19.0)  |
| - Manufacturing                     | 482            | 2,215      | (1,733)             | (78.2)  |
| - Investment & property development | 944            | 615        | 329                 | 53.5    |
|                                     | 329,813        | 390,789    | (60,976)            | (15.6)  |
| <b>Operating profit/(loss)</b>      |                |            |                     |         |
| - Retailing                         |                |            |                     |         |
| • Malaysia                          | 19,101         | 22,288     | (3,187)             | (14.3)  |
| • Singapore                         | 8,266          | 21,043     | (12,777)            | (60.7)  |
| • Indonesia                         | 914            | 1,768      | (854)               | (48.3)  |
| • Vietnam                           | (348)          | 1,065      | (1,413)             | (132.7) |
| • Other countries                   | -              | -          | -                   | -       |
| Total overseas market               | 8,832          | 23,876     | (15,044)            | (63.0)  |
| - Manufacturing                     | (50)           | (424)      | 374                 | (88.2)  |
| - Investment & property development | (1,526)        | (2,292)    | 766                 | (33.4)  |
|                                     | 26,357         | 43,448     | (17,091)            | (39.3)  |
| Interest income                     | 1,543          | 1,313      | 230                 | 17.5    |
| Finance costs                       | (4,600)        | (4,967)    | 367                 | (7.4)   |
| Share of results of an associate    | 453            | 169        | 284                 | 168.0   |
| Profit Before Taxation              | 23,753         | 39,963     | (16,210)            | (40.6)  |
| Taxation                            | (7,826)        | (11,658)   | 3,832               | (32.9)  |
| Profit from continuing operations   | 15,927         | 28,305     | (12,378)            | (43.7)  |
| Profit from discontinued operations | 2,877          | 2,588      | 289                 | 11.2    |
| <b>Profit for the period</b>        | 18,804         | 30,893     | (12,089)            | (39.1)  |

|                                | 9 Months Ended |            | Increase/(Decrease) |      |
|--------------------------------|----------------|------------|---------------------|------|
|                                | 31.03.2018     | 31.03.2017 |                     |      |
|                                | RM'000         | RM'000     | RM'000              | %    |
| <b>Discontinued Operations</b> |                |            |                     |      |
| <b>Revenue</b>                 | 77,230         | 68,986     | 8,244               | 12.0 |
| Operating profit               | 5,029          | 4,388      | 641                 | 14.6 |
| Interest income                | 74             | 38         | 36                  | 94.7 |
| Finance costs                  | (617)          | (552)      | (65)                | 11.8 |
| Profit before tax              | 4,486          | 3,874      | 612                 | 15.8 |
| Taxation                       | (1,609)        | (1,286)    | (323)               | 25.1 |
| <b>Profit for the period</b>   | 2,877          | 2,588      | 289                 | 11.2 |



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

**11.2 Table 1: Financial review for current financial period vs corresponding last financial period (cont'd)**

*3Q YTD FY2018 vs 3Q YTD FY2017 (cont'd)*

Continuing Operations

For the 9 months ended 31 March 2018, the Group's revenue decreased by RM60.98million or 15.6% as compared to 3Q YTD FY2017. PBT has dropped to RM23.75 million as compared to RM39.96 million recorded in 3Q YTD FY2017. The decrease in PBT mainly due to reduction in revenue.

*Retailing Segment*

Malaysia (Local Market)

Revenue decreased by RM28.76 million or 12.7% as compared to the 3Q YTD FY2017 due to closing down of a number of non-performing boutiques and consignments counters. Certain underperforming licensed brands under the Group's portfolio also exit from the local retail market which has resulted in a reduction in revenue. The operating profit for 3Q YTD FY2018 has decreased to RM19.10 million as compared to 3Q YTD FY2017 of RM22.29 million, which was mainly due to a decrease in revenue as well as an increase in advertising and promotion expenses of RM1.15 million spent on Braun Buffel 130 years celebrations, increased in advertising and promotion fee RM0.90 million on Sembonia Brand. Boutique rental also increased by RM0.78 million due to opening of new boutiques in Genting Premium Outlets which incurred in 3Q YTD FY2018.

Overseas Market

Revenue declined by RM30.82 million or 19.0% to RM131.15 million as compared to RM161.97 million recorded in 3Q YTD FY2017 mainly due to decrease of export sales achieved by Singapore subsidiaries of RM8.82 million and also slower sales recorded in Singapore market. Sales recorded in Indonesia market also down by RM9.95 million as a result of closure of some Bonia counters being part of the Group's rationalisation process. Export to ASEAN and Middle east countries dropped by RM3.09 million or 27.3% as compared to the 3Q YTD FY2017 due to a significant reduce in orders by our customers. Overall overseas market recorded a lower sales due to weak consumer sentiment.

The operating profit for 3Q YTD FY2018 has decreased to RM8.83 million as compared to 3Q YTD FY2017 of RM23.88 million, a decrease of nearly 63.0% mainly caused by the lower sales generated. A decrease in other income of RM2.83 million and higher advertising and promotion expenses of RM5.07 million spent on Braun Buffel 130 years celebrations incurred during 3Q YTD FY2018. In Vietnam, higher advertising and operating expenses incurred during the opening of a Bonia boutique.

*Manufacturing*

Revenue decreased by approximately 78.2% as compared to the 3Q YTD FY2017 as a result of soft retail market. The operating loss for the 3Q YTD FY2018 has reduced to RM0.05 million as compared to 3Q YTD FY2017 operating loss of RM0.42 million as a result of slightly increase in gross profit and increased in other income (comprising unrealised and realised forex gain) of RM0.18 million.

*Investment and property development*

Due to the soft property market, revenue that derived from rented investment properties has increased by RM0.33 million or 53.50% as compared to the 3Q YTD FY2017. The segment recorded a lower loss of RM1.53 million as compared to 3Q YTD FY2017 of RM2.29 million as a result of reduction in finance cost and administration expenses, particularly staff cost.



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

**Table 1: Financial review for current financial period vs corresponding last financial period (cont'd)**

*3Q YTD FY2018 vs 3Q YTD FY2017 (cont'd)*

Discontinued Operations

Revenue increase by RM8.24 million or 12.0% as compared to the *3Q YTD FY2017* due to more promotional activities launched to drive sales during the current period under review. The operating profit for *3Q YTD FY2018* increased by RM0.64 million to RM5.03 million as compared to *3Q YTD FY2017* of RM4.39 million, which was mainly due to an increase in revenue.



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

**11.3** Table 2: Financial review for current quarter compared with immediate preceding quarter

*3Q FY2018 vs 2Q FY2018*

|                                  | Current Quarter                 |                                |                 | Preceding Quarter               |                                |                 | Increase/(Decrease)         |                               |
|----------------------------------|---------------------------------|--------------------------------|-----------------|---------------------------------|--------------------------------|-----------------|-----------------------------|-------------------------------|
|                                  | Continuing Operations<br>RM'000 | Discont'd Operations<br>RM'000 | Total<br>RM'000 | Continuing Operations<br>RM'000 | Discont'd Operations<br>RM'000 | Total<br>RM'000 | Cont'g operations<br>RM'000 | Discont' operations<br>RM'000 |
| Revenue                          | 104,224                         | 23,592                         | 127,814         | 125,214                         | 35,130                         | 160,344         | (20,990)                    | (11,538)                      |
| Operating profit                 | 3,546                           | 1,756                          | 5,302           | 18,402                          | 4,024                          | 22,426          | (14,856)                    | (2,268)                       |
| Interest income                  | 486                             | 48                             | 534             | 529                             | 19                             | 548             | (43)                        | 29                            |
| Finance costs                    | (1,582)                         | (197)                          | (1,779)         | (1,529)                         | (228)                          | (1,757)         | (53)                        | 31                            |
| Share of results of an associate | 231                             | -                              | 231             | 83                              | -                              | 83              | 148                         | -                             |
| Profit Before Taxation           | 2,681                           | 1,607                          | 4,288           | 17,485                          | 3,815                          | 21,300          | (14,804)                    | (2,208)                       |
| Taxation                         | (1,563)                         | (467)                          | (2,030)         | (5,246)                         | (1,234)                        | (6,480)         | 3,683                       | 767                           |
| Profit for the period            | 1,118                           | 1,140                          | 2,258           | 12,239                          | 2,581                          | 14,820          | (11,121)                    | (1,441)                       |

Continuing Operations

The Group's revenue from continuing operations for the current quarter decreased by 16.8% to RM104.22 million as compared to RM125.21 million recorded in 2Q FY2018 which marked a higher sales during 2017 Christmas festive.

For the current quarter under review, the Group's PBT from continuing operations dropped to RM2.68 million as compared to RM17.48 million in 2Q FY2018. The lower profit before tax was mainly due to lower sales generated as well as increased in professional fees amounting to RM0.39 million.

Discontinued Operations

The Group's revenue from discontinued operations for the current quarter decreased by 32.8% to RM23.59 million, it was mainly due to higher sales recorded during Christmas festive season in the preceding quarter. PBT from discontinued operations decreased to RM1.61 million mainly due to lower sales generated and increased in professional fees of RM0.25 million as well as increased in unrealised forex loss of RM0.32 million.





**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

**12. Prospect**

The retail sector is expected to remain challenging as a result of rising costs of doing business, increased competitive price pressure as well as weak consumer demand.

In addition, the influx of online marketing has directly or indirectly affected the retail infrastructure. As such, retailers are striving to increase efficiency, reinvent in-store models, offer additional services and investing into digital platform in order to stay relevant in the market place.

Giving the uncertain economic outlook, the Group's prospects for the remaining financial year are expected to be challenging. The Group will continue to be vigilant in cost management and cautiously adjust its selling price to cope with rising cost of operation. With increasing competition, the Group will be prudent in managing its costs and uphold the design and quality of its products to enable the Group to maintain its branding position as one of the preferred and major retail players in the region.

The Group will continue its business consolidation by closing down of non-performing outlets, improve gross margins by improving the sourcing of products and continue to reorganizing its retail operations and to strengthen brand positioning to increase efficiency and productivity.

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

**13. 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.

**14. Changes in Contingent Liabilities**

The contingent liabilities of the Company as at 31 March 2018 comprised of corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries amounted to RM311.95 million of which utilised by these subsidiaries amounted to RM125.71 million.

**15. Capital Commitments**

The amount of capital commitments as at 31 March 2018 are as follows:

|                                | RM'000     |
|--------------------------------|------------|
| Authorised and contracted for: |            |
| Property, plant and equipment: |            |
| - Others                       | 566        |
|                                | <u>566</u> |

**16. Short Term Funds**

The short term funds represent investments in money market funds.



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

**17. Cash and Cash equivalents**

| <b>Continuing operations</b>              | 31.03.2018    | 31.03.2017     |
|---|---------------|----------------|
|   | RM'000        | RM'000         |
| Cash and bank balances                    | 80,653        | 85,567         |
| Fixed deposits with licensed banks        | 11,846        | 2,822          |
| Short term placements with licensed banks | -             | 22,308         |
| Bank overdrafts                           | (3,549)       | (2,535)        |
|   | <u>88,950</u> | <u>108,162</u> |
| Less: Fixed deposit pledged               | (866)         | (920)          |
|   | <u>88,084</u> | <u>107,242</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.

| <b>Discontinued operations</b>                              | 31.03.2018    | 31.03.2017    |
|---|---------------|---------------|
|   | RM'000        | RM'000        |
| Net cash (used in)/from operating activities                | (2,276)       | 8,252         |
| Net cash used in investing activities                       | (1,978)       | (1,943)       |
| Net cash from/(used in) financing activities                | 3,362         | (1,099)       |
| Net (decrease)/increase in cash and cash equivalent         | (892)         | 5,21          |
| Cash and cash equivalent at beginning of financial year     | 16,564        | 12,575        |
| Effect of exchange rate changes on cash and cash equivalent | (893)         | 352           |
|   | <u>14,779</u> | <u>18,137</u> |

**18. Taxation**

|                                      | Current<br>year to-date ended<br>31.03.2018 | Preceding<br>year to-date ended<br>31.03.2017 |
|--------------------------------------|---|---|
|                                      | RM'000                                      | RM'000  |
| <b>Continuing operations</b>         |   |   |
| Current year tax expense             | 8,283                                       | 11,484  |
| Under/(Over) provision in prior year | (444)                                       | (841)   |
| Deferred tax expense                 | (13)  | 1,015   |
|                                      | <u>7,826</u>                                | <u>11,658</u>                                 |
| <b>Discontinued operations</b>       |   |   |
| Current year tax expense             | 1,426                                       | 1,436   |
| Under/(Over) provision in prior year | (26)  | (242)   |
| Deferred tax expense                 | 209   | 92  |
|                                      | <u>1,609</u>                                | <u>1,286</u>                                  |

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.



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

19. Share Capital of the Company

Upon the enforcement of the Companies Act 2016 (“CA2016”) on 31 January 2017,

- the Company is no longer required to state its authorised capital,
- the Company’s share capital is in a no par value regime since 31 January 2017, and
- the Company’s share capital is not affected by Section 618 of the CA2016 as there is no amount standing to the credit of the Company’s share premium account and capital redemption reserve upon the enforcement of the CA2016.

20. **Recurrent Related Party Transactions (“RRPT”)**

20.1 The aggregate value of the RRPT conducted up to 31 March 2018 by the transacting subsidiaries of the Company (collectively, “Bonia Group”) with the related parties during the validity period of the existing RRPT mandate obtained on 28 November 2017, 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 existing RRPT mandate pursuant to Circular to Shareholders dated 28.11.2017 duly approved at the 26th AGM held on 28.11.2017<br>RM’000 | Actual aggregate value transacted from 28.11.2017 up to 31.03.2018<br>RM’000 |
|-----|-------------------|--|--|--|--|--|
| 1.  | Bonia Group       | Bonia International Holdings Pte. Ltd. | Chiang Sang Sem and persons connected with him (including their family)  | • Payment of <i>Bonia, Carlo Rino, Sembonia and CR2</i> trademarks royalties         | 4,200  | 681  |
| 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) | • Payment of office and warehouse rental   | 2,200  | 618  |
| 3.  | Bonia Group       | Cassardi International Co. Ltd.        | Boonnam Boonnamsap (a major shareholder of Bonia’s subsidiary) and persons connected with him (including their family)   | • Purchase of men’s apparels<br>• Payment of <i>Valentino Rudy</i> trademark royalty | N/A  | 67   |
| 4.  | Bonia Group       | Speciale Eyewear Sdn. Bhd.             | Datuk Chiang Heng Kieng and persons connected with him (including their family)  | • Purchase of eyewear  | 210  | 48   |

Notes :

RRPT 3 : Falls within the interpretation of Paragraph 10.08(9) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

20.2 The actual value transacted up to 31 March 2018 did not exceed the estimated aggregate value during the validity period of the existing RRPT mandate obtained on 28 November 2017 by 10% or more.

20.3 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 MARCH 2018**

**21. Group Borrowings**

The total Group borrowings and debts securities are as follows:

|  | 31.03.2018                        |                                  |                 | 31.03.2017                        |                                  |                 |
|--|-----------------------------------|----------------------------------|-----------------|-----------------------------------|----------------------------------|-----------------|
|  | Short Term<br>Borrowing<br>RM'000 | Long Term<br>Borrowing<br>RM'000 | Total<br>RM'000 | Short Term<br>Borrowing<br>RM'000 | Long Term<br>Borrowing<br>RM'000 | Total<br>RM'000 |
| <b><i>Continuing Operations</i></b>                  |                                   |                                  |                 |                                   |                                  |                 |
| <i>Conventional financing facilities - Secured</i>   |                                   |                                  |                 |                                   |                                  |                 |
| Bank overdrafts                                      | -                                 | -                                | -               | -                                 | -                                | -               |
| Bankers' acceptances                                 | 3,363                             | -                                | 3,363           | 2,239                             | -                                | 2,239           |
| Revolving Credit                                     | 1,500                             | -                                | 1,500           | -                                 | -                                | -               |
| Hire-purchase & lease creditors                      | 211                               | 253                              | 464             | 214                               | 457                              | 671             |
| Term loans   | 22,779                            | 24,399                           | 47,178          | 14,033                            | 63,564                           | 77,597          |
|  | <u>27,853</u>                     | <u>24,652</u>                    | <u>52,505</u>   | <u>16,486</u>                     | <u>64,021</u>                    | <u>80,507</u>   |
| <i>Islamic financing facilities -Secured</i>         |                                   |                                  |                 |                                   |                                  |                 |
| Bank overdrafts                                      | -                                 | -                                | -               | -                                 | -                                | -               |
| Bankers' acceptances                                 | -                                 | -                                | -               | -                                 | -                                | -               |
| Term financing-i                                     | 7,047                             | 37,386                           | 44,433          | 3,007                             | 42,247                           | 45,254          |
|  | <u>7,047</u>                      | <u>37,386</u>                    | <u>44,433</u>   | <u>3,007</u>                      | <u>42,247</u>                    | <u>45,254</u>   |
| <i>Total secured borrowings</i>                      | <u>34,900</u>                     | <u>62,038</u>                    | <u>96,938</u>   | <u>19,493</u>                     | <u>106,268</u>                   | <u>125,761</u>  |
| <i>Conventional financing facilities - Unsecured</i> |                                   |                                  |                 |                                   |                                  |                 |
| Bank overdrafts                                      | 2,035                             | -                                | 2,035           | 1,671                             | -                                | 1,671           |
| Bankers' acceptances                                 | 12,360                            | -                                | 12,360          | 9,543                             | -                                | 9,543           |
| Revolving Credit                                     | 1,000                             | -                                | 1,000           | -                                 | -                                | -               |
| Trust Receipt  | 8,582                             | -                                | 8,582           | 5,782                             | -                                | 5,782           |
|  | <u>23,977</u>                     | <u>-</u>                         | <u>23,977</u>   | <u>16,996</u>                     | <u>-</u>                         | <u>16,996</u>   |
| <i>Islamic financing facilities -Unsecured</i>       |                                   |                                  |                 |                                   |                                  |                 |
| Bank overdrafts                                      | 1,514                             | -                                | 1,514           | 864                               | -                                | 864             |
| Bankers' acceptances                                 | 1,291                             | -                                | 1,291           | 3,377                             | -                                | 3,377           |
|  | <u>2,805</u>                      | <u>-</u>                         | <u>2,805</u>    | <u>4,241</u>                      | <u>-</u>                         | <u>4,241</u>    |
| <i>Total unsecured borrowings</i>                    | <u>26,782</u>                     | <u>-</u>                         | <u>26,782</u>   | <u>21,237</u>                     | <u>-</u>                         | <u>21,237</u>   |
| <b>Total</b>   | <b>61,682</b>                     | <b>62,038</b>                    | <b>123,720</b>  | <b>40,730</b>                     | <b>106,268</b>                   | <b>146,998</b>  |

| <b><i>Discontinued Operations</i></b>                | Short Term<br>Borrowing<br>RM'000 | Long Term<br>Borrowing<br>RM'000 | Total<br>RM'000 |
|--|-----------------------------------|----------------------------------|-----------------|
| <i>Conventional financing facilities - Secured</i>   |                                   |                                  |                 |
| Term Loan  | 708                               | 15,335                           | 16,043          |
| <i>Total secured borrowings</i>                      | <u>708</u>                        | <u>15,335</u>                    | <u>16,043</u>   |
| <i>Conventional financing facilities - Unsecured</i> |                                   |                                  |                 |
| Bankers' acceptances                                 | 4,534                             | -                                | 4,534           |
| <i>Total unsecured borrowings</i>                    | <u>4,534</u>                      | <u>-</u>                         | <u>4,534</u>    |
| <b>Total</b>   | <b>5,242</b>                      | <b>15,335</b>                    | <b>20,577</b>   |



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

**21. Group Borrowings (cont'd)**

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

| As at 31.03.2018                |                             |                          |                             |                          |                             |                          |
|---------------------------------|-----------------------------|--------------------------|-----------------------------|--------------------------|-----------------------------|--------------------------|
|                                 | Long Term                   |                          | Short Term                  |                          | Total Borrowings            |                          |
|                                 | Foreign<br>Currency<br>'000 | RM<br>Equivalent<br>'000 | Foreign<br>Currency<br>'000 | RM<br>Equivalent<br>'000 | Foreign<br>Currency<br>'000 | RM<br>Equivalent<br>'000 |
| <b>Secured</b>                  |                             |                          |                             |                          |                             |                          |
| <u>Singapore Dollar</u>         |                             |                          |                             |                          |                             |                          |
| Hire-purchase & Lease Creditors | 61                          | 180                      | 23                          | 68                       | 84                          | 248                      |
| Trust Receipt                   | -                           | -                        | 767                         | 2,262                    | 767                         | 2,262                    |
| Term Loan                       | 389                         | 1,147                    | 1,167                       | 3,441                    | 1,556                       | 4,588                    |
|                                 | 450                         | 1,327                    | 1,957                       | 5,771                    | 2,407                       | 7,098                    |
| <u>Vietnamese Dong</u>          |                             |                          |                             |                          |                             |                          |
| Term Loan                       | -                           | -                        | 5,937,113                   | 1,003                    | 5,937,113                   | 1,003                    |
| <b>Unsecured</b>                |                             |                          |                             |                          |                             |                          |
| <u>Singapore Dollar</u>         |                             |                          |                             |                          |                             |                          |
| Trust Receipt                   | -                           | -                        | 1,424                       | 4,199                    | 1,424                       | 4,199                    |
| <u>Rupiah</u>                   |                             |                          |                             |                          |                             |                          |
| Trust Receipt                   | -                           | -                        | 7,548,344                   | 2,121                    | 7,548,344                   | 2,121                    |
| <b>Total</b>                    |                             | <u>1,327</u>             |                             | <u>13,094</u>            |                             | <u>14,421</u>            |

| As at 31.03.2017                |                             |                          |                             |                          |                             |                          |
|---------------------------------|-----------------------------|--------------------------|-----------------------------|--------------------------|-----------------------------|--------------------------|
|                                 | Long Term                   |                          | Short Term                  |                          | Total Borrowings            |                          |
|                                 | Foreign<br>Currency<br>'000 | RM<br>Equivalent<br>'000 | Foreign<br>Currency<br>'000 | RM<br>Equivalent<br>'000 | Foreign<br>Currency<br>'000 | RM<br>Equivalent<br>'000 |
| <b>Secured</b>                  |                             |                          |                             |                          |                             |                          |
| <u>Singapore Dollar</u>         |                             |                          |                             |                          |                             |                          |
| Hire-purchase & Lease Creditors | 84                          | 267                      | 22                          | 70                       | 106                         | 337                      |
| Trust Receipt                   | -                           | -                        | 512                         | 1,620                    | 512                         | 1,620                    |
| Term Loan                       | 1,555                       | 4,922                    | 1,167                       | 3,692                    | 2,722                       | 8,614                    |
|                                 | 1,639                       | 5,189                    | 1,701                       | 5,382                    | 3,340                       | 10,571                   |
| <u>Vietnamese Dong</u>          |                             |                          |                             |                          |                             |                          |
| Term Loan                       | -                           | -                        | 11,400,827                  | 2,268                    | 11,400,827                  | 2,268                    |
| <b>Unsecured</b>                |                             |                          |                             |                          |                             |                          |
| <u>Singapore Dollar</u>         |                             |                          |                             |                          |                             |                          |
| Trust Receipt                   | -                           | -                        | 1,094                       | 3,462                    | 1,094                       | 3,462                    |
| <u>U.S.Dollar</u>               |                             |                          |                             |                          |                             |                          |
| Bankers' Acceptances            | -                           | -                        | 212                         | 936                      | 212                         | 936                      |
| <b>Total</b>                    |                             | <u>5,189</u>             |                             | <u>12,048</u>            |                             | <u>17,237</u>            |

| <b>Exchange rates applied</b> | <b>As at 31.03.2018</b> | <b>As at 31.03.2017</b> |
|-------------------------------|-------------------------|-------------------------|
| SGD/RM                        | 2.9494                  | 3.1643                  |
| VDN100/RM                     | 0.0169                  | 0.02028                 |
| IDR100/RM                     | 0.0281                  | 0.0333                  |
| USD/RM                        | 3.863                   | 4.423                   |



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

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

Save as disclosed below, there were no changes in the composition of the Group for the current quarter under review.

The dissolution of CRG Viet Nam Company Limited (“CRGVN”) from the register of the Department of Planning and Investment of Ho Chi Minh BRO Business Registration Office (“DPIH”) has been completed and the relevant Announcement on Dissolution issued by DPIH on 26 March 2018, was received by the Company on 28 March 2018.

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

Save as disclosed below, there were no material events subsequent to the end of the interim period current quarter under review up to the date of this report.

- (a) Further to the Company’s announcement dated 04 January 2018, CRHK has published a final notice in the Hong Kong Government Gazette dated 04 May 2018 announcing the completion of the deregistration and dissolution of KSIT on 04 May 2018.
- (b) An application to strike off Active Footwear Pte. Ltd. (“AFPL”), a wholly-owned subsidiary company of Active World Pte Ltd, which in turn is a direct wholly-owned subsidiary of Bonia from the register of the Accounting and Corporate Regulatory Authority (ACRA) Singapore was submitted on 09 February 2018 via ACRA portal and the Acknowledgement of the said application issued by ACRA was received by the Company on 16 April 2018.



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

**24. 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<br>quarter<br>31.03.2018<br>RM'000 | Preceding<br>year quarter<br>31.03.2017<br>RM'000 | Current year<br>to-date<br>31.03.2018<br>RM'000 | Preceding<br>year period<br>31.03.2017<br>RM'000 |
|---|---|---|---|--|
| Profit attributable to equity holders of the parent | 142   | 5,538   | 11,715  | 21,466   |
| - Continuing operations                             |   |   |   |  |
| - Discontinuing operations                          | 1,140   | (780)   | 2,877   | 2,588  |
|   | <u>1,282</u>                                    | <u>4,758</u>                                      | <u>14,592</u>                                   | <u>24,054</u>                                    |

*Number of ordinary shares (basic)*

|  | Current year<br>quarter<br>31.03.2018<br>RM'000 | Preceding<br>year quarter<br>31.03.2017<br>RM'000 | Current year<br>to-date<br>31.03.2018<br>RM'000 | Preceding<br>year period<br>31.03.2017<br>RM'000 |
|--|---|---|---|--|
| Weighted average number of ordinary shares | 805,651   | 806,287   | 805,651   | 806,287  |
| Basic earnings per share (sen)             |   |   |   |  |
| - Continuing operations                    | 0.02  | 0.69  | 1.45  | 2.66   |
| - Discontinuing operations                 | 0.14  | (0.10)  | 0.36  | 0.32   |
|  | <u>0.16</u>                                     | <u>0.59</u>                                       | <u>1.81</u>                                     | <u>2.98</u>                                      |



**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

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

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

|  | 9 months ended 31.03.2018   |                               |                 | 9 months ended 31.03.2017   |                               |                 |
|--|-----------------------------|-------------------------------|-----------------|-----------------------------|-------------------------------|-----------------|
|  | Cont'd operations<br>RM'000 | Discont'd operations<br>M'000 | Total<br>RM'000 | Cont'd operations<br>RM'000 | Discont'd operations<br>M'000 | Total<br>RM'000 |
| Interest income & distribution income from short term funds    | (1,543)                     | (74)                          | (1,617)         | (1,313)                     | (38)                          | (1,351)         |
| Other income including investment income <sup>(1)</sup>        | (6,465)                     | (395)                         | (6,860)         | (11,432)                    | (523)                         | (11,955)        |
| Interest expense   | 4,600                       | 617                           | 5,217           | 4,967                       | 552                           | 5,519           |
| Depreciation of property, plant and equipment                  | 10,466                      | 2,147                         | 12,613          | 12,406                      | 2,595                         | 15,001          |
| Amortisation of intangible assets                              | 1,885                       | -                             | 1,885           | -                           | -                             | -               |
| Amortisation of trademarks                                     | 1,033                       | -                             | 1,033           | 1,036                       | -                             | 1,036           |
| Bad debts written off  | 1,416                       | -                             | 1,416           | 1,259                       | -                             | 1,259           |
| Net (reversal of)/ provision for trade receivables             | (510)                       | -                             | (510)           | (402)                       | -                             | (402)           |
| Provision for and write off of inventories                     | -                           | -                             | -               | -                           | -                             | -               |
| (Gain) or loss on disposal of properties, plant and equipment  | (137)                       | (2)                           | (139)           | (3,291)                     | -                             | (3,291)         |
| (Gain) or loss on disposal of investment properties            | -                           | -                             | -               | 266                         | -                             | 266             |
| Gain or loss on disposal of quoted and/or unquoted investments | -                           | -                             | -               | -                           | -                             | -               |
| Net foreign exchange translation (gain) or loss                | 3,190                       | 532                           | 3,722           | (1,361)                     | (352)                         | (1,713)         |
| Gain or loss on derivatives <sup>(2)</sup>                     | -                           | -                             | -               | -                           | -                             | -               |
| Provision for and PPE written off                              | 667                         | 15                            | 682             | 338                         | 5                             | 343             |
| 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

25.2 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.





**NOTES TO INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 MARCH 2018**

**26. Material Litigation**

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

Further to the announcement on the quarterly results (under Note B12) made on 22 November 2013, the Plaintiffs had on 31 October 2016 filed a Writ of Summons and Statement of Claim against the Defendant and served the same on the Defendant on 2 November 2016.

On 21 November 2016, the Defendant filed 2 separate applications for a declaration that the Malaysian Court has no jurisdiction over the Defendant and for consequential relief (Enclosure 10), and for a declaration that the Malaysian Court is not the appropriate forum to try the Plaintiffs’ claim and consequently for a stay of proceedings (Enclosure 11).

On 16 December 2016, the Defendant filed 2 separate applications to strike out the Writ of Summons dated 31 October 2016 for lack of authority (Enclosure 20), and for a stay of proceedings pending arbitration (Enclosure 22).

On 25 January 2017, the Defendant withdrew Enclosure 20 with no order as to costs.

On 25 April 2017, the High Court dismissed Enclosures 10 and 11 with costs of RM5,000 for each enclosure.

On 3 May 2017, the Defendant filed 2 appeals against the High Court’s decisions on Enclosures 10 and 11 (“Appeals”).

On 8 May 2017, the Defendant filed an application to stay the proceedings pending the disposal of the Appeals (Enclosure 43).

On 11 May 2017, the Defendant filed 2 separate applications for an extension of time to file his Defence (Enclosure 47), and to strike out the Writ of Summons for abuse of process (Enclosure 50).

On 23 May 2017, the High Court dismissed Enclosure 43 with costs of RM1,500. The Judge also granted Enclosure 47 with no order as to costs, and directed the Defendant to file his Defence by 23 June 2017. The Defendant also withdrew Enclosure 50, which was accordingly struck out with no order as to costs.

On 22 June 2017, the Defendant filed his Defence and Counterclaim claiming general damages, exemplary damages, and costs for abuse of process. The Plaintiffs filed their Reply and Defence to Counterclaim on 24 July 2017.

On 17 October 2017, the Court of Appeal dismissed the Appeals with costs of RM5,000 for each appeal.

On 5 January 2018, the High Court allowed Enclosure 22 and stayed the suit pending reference of the dispute to arbitration with costs of RM5,000 to follow the outcome of the arbitration.

On 26 January 2018, the Plaintiffs appealed to the Court of Appeal against the High Court’s decision on Enclosure 22.

The hearing of the appeal against Enclosure 22 has been fixed on 26 June 2018.

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

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

**CHONG CHIN LOOK**  
Group Finance Director  
Kuala Lumpur  
30 May 2018