



**BONIA CORPORATION BERHAD**

Registration No. 199101013622 (223934-T)

## **Annual Report 2022**







BONIA

# BRAUN BÜFFEL







SEMBONIA

**renoma**  
PARIS



SANTA BARBARA  
POLO & RACQUET  
CLUB





Valentino Rudy  
ITALY





BONIA

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# BONIA Suria KLCC Flagship Store Grand Opening

*24 February 2022*

We celebrated the launch of BONIA's first flagship store in Suria KLCC with a grand opening party featuring some of the most prominent influencers, entertainers and industry players, with guest of honour Yang Amat Mulia (YAM) Tengku Zatashah binti Sultan Sharafuddin Idris Shah, Princess of Selangor officiating the event.

Inspired by museum and gallery spaces, the flagship store aims to immerse and inspire every visitor in the world of BONIA, from handbags and accessories to the latest offerings in lifestyle goods.



# Bonia Corporation Townhall 2022

26 July 2022

The Bonia Corporation Townhall 2022, titled #PowerUp, gathered employees from across BONIA, Braun Buffel, and our licensed brands for a discussion on embracing transformation and change.

Activities included a fashion show involving staffs showing off archive pieces from our company's 47 years history, presentations and a panel discussion with senior management as well as fun activities and games.



# Bonia Corporation Management Retreat

*2 & 3 June 2022*

The Bonia Corporation Management Retreat was held in Janda Baik, whereby leaders and managers across the BONIA, Braun Büffel and licensed brands from our regional offices in Malaysia, Indonesia and Singapore came together for a two-day retreat to build synergies and align on the upcoming financial year's business direction.



# Braun Buffel IOI City Mall Phase 2 Store Opening

15 September 2022

Braun Buffel unveils the brand's new store design concept at IOI City Mall, Phase 2. Through artistry and nature, the elegantly futuristic aesthetic redefines Braun Buffel's retail environment into an immersive and compelling experience.

The new store is the first in a series of conceptual spaces entitled 'Distorted Nature'. With an abstract interpretation of a moss-covered tree sprouting from the floor to the ceiling, the visual impact draws shoppers into the store to explore and experiment.

Corporate Overview



# Piala Seri Endon Presented by BONIA

4 September 2022

Piala Seri Endon 2022, the 17<sup>th</sup> edition of Malaysia's most prestigious batik design competition took place at the Kuala Lumpur Convention Centre. As the Official Presenter of the competition, BONIA had a special La Luna pop-up which was graced by Her Majesty Raja Permaisuri Agong, Tunku Hajah Azizah Aminah Maimunah Iskandariah. Also present were Dato' Sri Chiang Fong Seng, our Group Executive Director and Datin Sri Linda Chen May Yen, Marketing, Communications and Creative Director.

BONIA debuted a special collaboration with Dato' Sri Bernard Chandran to showcase 40 looks of BONIA's first ever batik collection, in a fashion show titled: BONIA x BERNARD CHANDRAN: Fan the Flame.





# #BONIA Cares Donation to University Malaya Medical Centre

1 September 2022

In support of Malaysians pursuing postgraduate degrees in Medicine, BONIA Corporation has donated RM400,000 to Universiti Malaya's Faculty of Medicine Postgraduate Scholarship Scheme.

In an intimate ceremony, our Founder and Chairman, Chiang Sang Sem presented the mock cheque to Universiti Malaya's Vice-Chancellor, Professor Dato' Ir. Dr. Mohd Hamdi Abd Shukor. Also present were Group Executive Director, Dato' Sri Chiang Fong Seng; Alternate Director, Chiang May Ling and Chief Financial Officer, Wong Kwong Tung.





## BrandLaureate 2021-2022 Award

25 August 2022

BONIA was awarded the BrandLaureate Best Brands Award 2021-2022 - Nation's Pride. Group Executive Director, Dato' Sri Chiang Fong Seng accepted the award.

## Nanyang Superb Brand Award 2020

17 June 2022

BONIA was awarded the Nanyang Superb Brand Award 2020 - Malaysia Classical Vogue Brand Award, in a ceremony accepted by the Founder and Group Executive Chairman, Chiang Sang Sem.





## Asia E-Commerce Awards 2021

3 March 2022

BONIA was awarded bronze in Marketing-Interactive's Asia E-Commerce Awards 2021 - Best in E-Commerce under the Fashion and Apparel category.

## Women of Excellence Award 2021/2022

24 March 2022

BONIA was awarded the Women of Excellence Award 2021/2022 - Women Brand of the Year under the Fashion category, in a ceremony accepted by Marketing, Communications and Creative Director, Datin Sri Linda Chen May Yen.



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# CORPORATE INFORMATION

AS AT 30 SEPTEMBER 2022

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## BOARD OF DIRECTORS

### Chiang Sang Sem

Founder and Group Executive Chairman

### Dato' Sri Chiang Fong Tat

Group Executive Director

### Dato' Sri Chiang Fong Seng

Group Executive Director

### Datuk Chiang Heng Kieng

Non-Independent Non-Executive Director

### Dato' Sri Chiang Fong Yee

Non-Independent Non-Executive Director

### Chong Chin Look

Non-Independent Non-Executive Director

### Datuk Ng Peng Hong @ Ng Peng Hay

Senior Independent Non-Executive Director

### Azian Binti Mohd Yusof

Independent Non-Executive Director

### Law Wei Liang

Independent Non-Executive Director

### Chiang May Ling

Alternate Director to Chiang Sang Sem

### Chiang Fong Chyen

Alternate Director to Datuk Chiang Heng Kieng

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## Audit & Risk Management Committee

### Chairman

Datuk Ng Peng Hong @ Ng Peng Hay

### Members

Azian Binti Mohd Yusof

Law Wei Liang

## Share Registrar

Bina Management (M) Sdn. Bhd.

Lot 10 The Highway Centre Jalan 51/205

46050 Petaling Jaya

Selangor Darul Ehsan, Malaysia

Tel : +603-7784 3922

Fax : +603-7784 1988

## Head Office

Level 6 Ikon Connaught

Lot 160 Jalan Cerdas

Taman Connaught Cheras

56000 Kuala Lumpur

Wilayah Persekutuan, Malaysia

Tel : +603-9108 9000

Fax : +603-9108 9098

## Nomination & Remuneration Committee

### Chairman

Datuk Ng Peng Hong @ Ng Peng Hay

### Members

Azian Binti Mohd Yusof

Law Wei Liang

## Stock Exchange Listing

Main Market of

Bursa Malaysia Securities Berhad

Sector : Consumer Products & Services

Stock Name : Bonia

Stock Code : 9288

## Registered Office

No.5-1 Jalan Radin Bagus 9

Bandar Baru Sri Petaling

57000 Kuala Lumpur

Wilayah Persekutuan, Malaysia

Tel : +603-9054 1498

Fax : +603-9054 1498

## Company Secretary

Wong Yen Lee

Membership No. MAICSA 7046106

SSM Practising Certificate No.

202008001170

## Auditors

BDO PLT

Audit Firm No. 201906000013

(LLP0018825-LCA) & AF 0206

Level 8 BDO@Menara CenTARA

360 Jalan Tuanku Abdul Rahman

50100 Kuala Lumpur, Malaysia



BONIA (Corporate) : <https://boniacorp.com/>



BONIA (Corporate) : [www.linkedin.com/company/bonia-corporation-berhad](http://www.linkedin.com/company/bonia-corporation-berhad)



BONIA : [www.facebook.com/BoniaFashion](http://www.facebook.com/BoniaFashion)  
Braun Buffel : [www.facebook.com/BraunBuffel](http://www.facebook.com/BraunBuffel)  
Sembonia : [www.facebook.com/sembonia](http://www.facebook.com/sembonia)



BONIA : [www.instagram.com/bonia\\_\\_official](http://www.instagram.com/bonia__official)  
Braun Buffel : [www.instagram.com/braunbuffel](http://www.instagram.com/braunbuffel)  
Sembonia : [www.instagram.com/sembonia\\_official](http://www.instagram.com/sembonia_official)



BONIA : <https://www.youtube.com/c/BONIAOfficial>  
Braun Buffel : [www.youtube.com/c/BraunBuffelOfficial](https://www.youtube.com/c/BraunBuffelOfficial)



BONIA : <https://www.tiktok.com/@boniaofficial>  
Braun Buffel : [www.tiktok.com/@braunbuffel](https://www.tiktok.com/@braunbuffel)



BONIA Xiaohongshu ID : 2745997489



**BRAUN BÜFFEL**

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## PROFILE OF BOARD OF DIRECTORS

AS AT 30 SEPTEMBER 2022

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### **CHIANG SANG SEM**

**Founder and Group Executive Chairman**

**Malaysian, male, aged 69**

**Date of appointment to the Board of Bonia Corporation Berhad: 16 June 1994**

The visionary founder of BONIA and Bonia Corporation Berhad, Chiang Sang Sem has been involved in the leather industry for over 50 years. Drawing on his in-depth knowledge, savoir-faire and industry experience, he continues to spearhead business development for the Bonia Group's brands and licenses while overseeing corporate strategy, plans and policies.

He travels regularly around Europe and Asia to get the latest updates on fashion trends and technological changes in leatherwear and fashion accessories industry.

He holds directorships in several subsidiaries of the Company and does not have any other directorships of public companies.

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## Profile of Board of Directors

As at 30 September 2022

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### **DATO' SRI CHIANG FONG TAT**

**Group Executive Director**

**Malaysian, male, aged 44**

**Date of appointment to the Board of Bonia Corporation Berhad: 30 August 2004**

Dato' Sri Chiang Fong Tat graduated with a Bachelor (Hons) Degree in Marketing and Management from Middlesex University, United Kingdom.

He possesses extensive experience in product management and business development in the footwear, accessories and leather markets. He joined Bonia Group in 2000 and had held several senior executive positions prior to his appointment

to the Board of Bonia Corporation Berhad. He is currently responsible for the overall expansion and growth, market entry, business efficiency as well as the product research and development of SEMBONIA products.

He holds directorships in several subsidiaries of the Company and does not have any other directorships of public companies.

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## Profile of Board of Directors

As at 30 September 2022

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### **DATO' SRI CHIANG FONG SENG**

**Group Executive Director**

**Malaysian, male, aged 37**

**Date of appointment to the Board of Bonia Corporation Berhad: 10 January 2014**

Dato' Sri Chiang Fong Seng graduated in year 2007 with a Bachelor of Commerce from The University of Melbourne, Australia.

A forward-looking man who spearheaded Bonia Corporation Berhad's acquisition of Braun Buffel Southeast Asia in 2012 and, subsequently, shares from the brand's principal company in Germany, he helms the business and brand direction of 3 major brands under the Bonia Group: Braun Buffel, Bonia and Renoma Paris. Today, under his leadership, the 3 brands boast over 150 points of sales globally.

He joined Bonia Group in year 2008 initially as Personal Assistant to the Founder and Group Executive Chairman, from whom he learnt the trade from managing factory supply chains to product design, sales, marketing and business development. His responsibilities were expanded across Bonia Group over the years with his involvement in the Group's strategic planning and sustainability initiatives.

A visionary leader who has served the Bonia Group for over 14 years, he was instrumental in transitioning Bonia from a product-driven brand to a lifestyle-orientated one, increasing the relatability of the brand and range of products it can offer, keeping them relevant through evolving lifestyle and design trends.

He is a staunch supporter of brands and talents that add value to the community. He was appointed as a Committee Member of Federation of Malaysian Fashion Textiles and Apparel (FMFTA) since its launch in October 2019, and holds the position as Treasurer.

He was conferred Darjah Kebesaran Sultan Ahmad Shah Pahang Yang Amat Di Mulia – Peringkat Pertama Sri Sultan Ahmad Shah Pahang (SSAP) which carries the title Dato' Sri in year 2013.

He holds directorships in several subsidiaries of the Company and does not have any other directorships of public companies.



## Profile of Board of Directors

As at 30 September 2022



### **DATUK CHIANG HENG KIENG** Non-Independent Non-Executive Director

*Malaysian, male, aged 60*  
*Date of appointment to the Board of*  
*Bonia Corporation Berhad: 16 June 1994*

Datuk Chiang Heng Kieng brings with him vast experience in the retailing industry and constantly share his knowledge, skills and expertise with his peers as well as the Management of Bonia Group.

Apart from running his private businesses, he also serves as the Life Time Honorary President of the Malaysian Retailer-Chains Association (MRCA), a Director of MRCA Branding Education Charity Foundation, a Council Member of Malaysian AEON Foundation, a Council Member of Chinese Chamber of Commerce & Industry of Kuala Lumpur & Selangor (KLSCCCI) and a Council Member of Kuala Lumpur Eng Choon Hoey Kuan (Association of Hokkien, Eng Choon).

He holds directorship in several subsidiaries of the Company and does not have any other directorships of public companies.

### **DATO' SRI CHIANG FONG YEE** Non-Independent Non-Executive Director

*Malaysian, male, aged 45*  
*Date of appointment to the Board of*  
*Bonia Corporation Berhad: 01 September 2018*

Dato' Sri Chiang Fong Yee graduated with a Bachelor's Degree in Marketing and Statistics from Middlesex University, United Kingdom in 2001.

His involvement in the fashion industry spans roles from hands-on support to senior executive positions in Bonia Group. Prior to his appointment as the Alternate Director to Chiang Sang Sem in the Company in 2004, he was a Marketing Executive and later an Assistant Business Development Manager of CB Marketing Sdn. Bhd. (wholly-owned subsidiary) from 2000 to 2004 primarily responsible for marketing functions of the Bonia Group.

Presently, he is the Managing Director of CRG Incorporated Berhad ("CRG") spearheads the CRG Group's business direction and overall strategies and policies to drive the growth and innovation of CARLO RINO products. He plays an integral role in developing CRG Group's business strategy with the rest of the management team and focuses on CRG Group's expansion and growth, market entry, sustainability, profitability and operational efficiency.

Apart from it, Dato' Sri Chiang Fong Yee also sits on the board of Carzo Holdings Berhad as its Non-Independent Non-Executive Director.



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## Profile of Board of Directors

As at 30 September 2022

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### **CHONG CHIN LOOK** Non-Independent Non-Executive Director

*Malaysian, male, aged 59*  
*Date of appointment to the Board of*  
*Bonia Corporation Berhad: 20 June 1994*

Chong Chin Look obtained his Bachelor of Economics degree with a major in Business Administration from the University of Malaya in 1987. He is also a member of The Malaysian Institute of Certified Public Accountants (MICPA) and a Chartered Accountant with the Malaysian Institute of Accountants (MIA).

In 1987, he joined KPMG Malaysia as an audit assistant where he acquired experience in auditing, accounting, taxation and management consultancy. He was promoted to audit senior in 1990. In 1992, he left KPMG Malaysia and joined Bonia Group as the Financial Controller where he was responsible for the overall financial and corporate functions of the Group. Thereafter, from 1994 to 2022, he was reassigned as the Group Finance Director and oversaw the effectiveness and efficiency of the finance functions across the Bonia Group in line with the Group's strategy and business goals.

Presently, he holds directorships in several subsidiaries of the Company. He is also on the Board of CEKD Berhad as an Independent Non-Executive Director, the Chairman of its Audit Committee, and a member of its Remuneration Committee, Nominating Committee, and Risk Management Committee, respectively.

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### **DATUK NG PENG HONG @ NG PENG HAY** Senior Independent Non-Executive Director Chairman of Audit & Risk Management Committee Chairman of Nomination & Remuneration Committee

*Malaysian, male, aged 70*  
*Date of appointment to the Board of*  
*Bonia Corporation Berhad: 30 March 2020*

Datuk Ng Peng Hong @ Ng Peng Hay served as the State Assemblyman for Tengkeru Constituency under Barisan Nasional between 1982 and 1986. He then served as a Senator in the Malaysian Parliament from 1987 to 1993. His first involvement in social activities was upon completing his secondary education. He was appointed as the Investment Co-ordinator of the Malacca State Development Corporation to handle direct investments in the State of Melaka since 1988. Together with his team of officials and his excellent public relations, he has helped in attracting numerous Taiwanese, Singaporean and Chinese investors into the State of Melaka. In recognition of his efforts and dedication, he was conferred the Darjah Mulia Seri Melaka by his Excellency, the Governor of Melaka in 1992. On 17 July 1999, the Taiwanese Government awarded him the Economic Medal.

Datuk Ng also sits on the Board of Wellcall Holdings Berhad, Sinmah Capital Berhad, and CRG Incorporated Berhad.



## Profile of Board of Directors

As at 30 September 2022



**AZIAN BINTI MOHD YUSOF**  
Independent Non-Executive Director  
Member of Audit & Risk Management Committee  
Member of Nomination & Remuneration Committee

*Malaysian, female, aged 64*  
*Date of appointment to the Board of*  
*Bonia Corporation Berhad: 10 August 2020*

Azian Binti Mohd Yusof holds a Bachelor Degree of Economics from the University of Malaya, Kuala Lumpur.

She is well versed in promoting foreign and domestic investments in the country, after having served the Malaysian Investment Development Authority (MIDA), a Government Agency under the Ministry of International Trade and Industry which is responsible for the growth and development of industries, both in the manufacturing and services sectors. She held the position of Deputy Chief Executive Officer for Strategic Planning prior to her retirement in July 2018 and had served MIDA for over 30 years. Post retirement, she had served as Independent Adviser to a few companies.

Presently, she is an Independent Non-Executive Director of Solarvest Holdings Berhad, Texchem Resources Berhad, and Wellcall Holdings Berhad respectively.

**LAW WEI LIANG**  
Independent Non-Executive Director  
Member of Audit & Risk Management Committee  
Member of Nomination & Remuneration Committee

*Malaysian, male, aged 40*  
*Date of appointment to the Board of*  
*Bonia Corporation Berhad: 01 July 2022*

Law Wei Liang obtained his Bachelor of Commerce from The University of Melbourne Australia, majoring in Accounting and Finance in 2004. He is a member of CPA Australia (CPA), Malaysian Institute of Accountants (MIA) and Chartered Tax Institute of Malaysia (CTIM) respectively.

He has considerable experience in financial and internal auditing, taxation, risk management and assurance as well as corporate management. He started his career with a local small to medium size accounting and audit firm and thereafter, he joined BDO Binder where he was assigned to involve in the financial audit and internal audit of both listed and non-listed companies from various industries and sectors.

He founded Terry Law & Co, a chartered accounting firm specialising in business and professional services, including corporate risks management, company secretarial services, management consultancy services, tax consultation and compliance in 2009. Since then, he has been practicing as a public accountant in public practice.

Apart from it, he has been appointed as a corporate advisor for Optimax Eye Specialist Centre Sdn Bhd, a subsidiary of Optimax Holdings Berhad in 2021.



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## Profile of Board of Directors

As at 30 September 2022

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### **CHIANG MAY LING** Alternate Director to Chiang Sang Sem

**Malaysian, female, aged 34**  
**Date of appointment to the Board of**  
**Bonia Corporation Berhad: 01 September 2018**

Chiang May Ling completed her tertiary education at Deakin University, Australia and obtained a Bachelor of Commerce majoring in Accounting and Finance in 2011.

She started her career as Management Trainee at Bonia Group and had initial exposure in the retail landscape. Since joining Bonia Group in 2011, she underwent rotations through various business units including procurement, market research, product development, e-commerce, and R&D departments which allowed her to gain good understanding in the entire value chain of the retail management. With over 10 years industry experience and a solid retail background, she currently holds directorship in subsidiaries of Bonia Corporation Berhad primarily focuses on devising growth strategies, analysing brand positioning and consumer insights, researching market trends and competitors' activities, and overseeing marketing initiatives for the licensed brand VALENTINO RUDY under the Bonia Group.

She was invited to join the Board of Bonia Corporation Berhad as the Alternate Director of Chiang Sang Sem in 2018. Save as disclosed, she does not have any other directorships of public companies.

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### **CHIANG FONG CHYEN** Alternate Director to Datuk Chiang Heng Kieng

**Malaysian, male, aged 42**  
**Date of appointment to the Board of**  
**Bonia Corporation Berhad: 01 September 2018**

Chiang Fong Chyen holds a Bachelor of Arts degree in Business Information Technology from Coventry University.

He has over 10 years of sales and marketing experience. He holds directorship in subsidiaries of Bonia Corporation Berhad and his main responsibilities include implementation of marketing strategy, operations management, and product and business development for the licensed brands under the Bonia Group.

He does not have any other directorships of public companies.



#### Notes:

1. Chiang Sang Sem, Datuk Chiang Heng Kieng, Dato' Sri Chiang Fong Yee, Dato' Sri Chiang Fong Tat, Dato' Sri Chiang Fong Seng, Chiang May Ling and Chiang Fong Chyen have family relationships.
2. Save as disclosed, none of the Directors have:
  - any family relationship with any Directors and/or substantial shareholders of Company;
  - any conflict of interest with the Company; and
  - any conviction for offences (other than traffic offences) within the past 5 years, and/or any public sanction or penalty imposed by regulatory bodies during FY2022.
3. The Directors' interests in the Company are detailed in the Financial Statements section and the Analysis of Shareholdings section of this Annual Report.

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## PROFILE OF KEY SENIOR MANAGEMENT

AS AT 30 SEPTEMBER 2022

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All the Executive and Alternate Directors of Bonia Corporation Berhad are part of the Key Senior Management of the Group and their profiles are listed in the Profile of Board of Directors section of this Annual Report.

### Other Key Senior Management

#### **ONG MAY CHIUN**

Malaysian, Female, aged 58

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Ong May Chiun joined Bonia Group in 1990 as Administration Assistant and was appointed as Executive Director of CB Marketing Sdn. Bhd. on 1 August 2006. She graduated with a Bachelor Degree in Economics (Hons) from Universiti Kebangsaan Malaysia in 1989. She is responsible for research and development, planning and implementation of marketing strategy, product distribution for ladies' leatherwear (in department stores), men's accessories and men's apparel.

#### **SIOW HUEY LOONG**

Malaysian, Male, aged 58

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Siow Huey Loong holds directorship in subsidiaries of Bonia Corporation Berhad. He graduated with a Diploma in Business Management from Kolej Tunku Abdul Rahman in year 1987 and joined Bonia Group in year 1990. He has vast experience in retail industry particularly, in the area of ladies' footwear. He is primarily responsible for product sourcing, planning and implementation of marketing strategy and product distribution.

#### **MUSNIARNI MASSEWA**

Indonesian, Female, aged 57

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Musniarni Massewa joined the Indonesia operations as Country Head in 2017. She graduated from RMIT University in Melbourne majoring in quantitative management for her master degree in 1992. She is currently responsible for Braun Buffel and BONIA retail in Indonesia. Musniarni has over 27 years' experience in luxury and premium brands, namely, Cartier, Tiffany & Co., Coach, Michael Kors, Kate Spade, Victoria's Secret and Bath & Body Works. Prior to her current position, she was with Valiram Group for 10 years, 6 years as General Manager and 4 years as Country Head of Valiram Group, responsible for the overall business in Indonesia.

#### **GAN TECK HOCK *PMP***

Malaysian, Male, aged 53

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Gan Teck Hock joined Bonia Group as the General Manager of Lianbee-Jeco (M) Sdn. Bhd. since April 2014 and responsible for overall Braun Buffel business in Malaysia. He was designated as Director, Group Business Development on January 2022. He obtained his Bachelor of Arts (majoring in Chinese Studies) from the University of Malaya in 1994. He has over 25 years extensive experience in all aspects of sales, retail and marketing management. He has been with Montblanc SEA Pte Ltd (later integrated into Richemont Luxury (M) Sdn. Bhd.) for 12 years. The last position held by him was as General Manager of Montblanc and a directorship in Richemont Luxury (M) Sdn. Bhd. prior to joining Lianbee-Jeco (M) Sdn. Bhd..

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## Profile of Key Senior Management

As at 30 September 2022

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### **TEOH SIM KEAT**

Malaysian, Male, aged 48

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Teoh Sim Keat joined Bonia Group as General Manager of Lianbee-Jeco Pte. Ltd. in February 2020. He is responsible for brand management and business development of Braun Buffel in Asia Pacific region as well as the overall retail, license and wholesale business of Braun Buffel and Renoma in Singapore. He graduated with a Bachelor of Social Science with honours, majoring in Development Planning and Management from Universiti Malaysia Sarawak in Year 1999.

### **WONG SAU YEE**

Malaysian, Male, aged 47

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Wong Sau Yee joined Bonia Group as Group Human Resource Director in September 2021. He has over 20 years of experience in human resource across various industries and sectors, both in local and multinational corporations. He is responsible for organisational development, talent acquisition and management, performance and rewards, and learning and development. His focus is to improve and revamp the existing structure, putting systems and processes in place, and to drive transformation and lead people agenda to support the rapid expansion of the Group.

Prior to Bonia, he was the General Manager, Group Human Resources for IGE Group of Companies, a Myanmar local conglomerate involving businesses in banking, telecommunication, properties, roads and bridge construction, hospitality, and others. He was also with Sunway Berhad, Agensi Inovasi Malaysia (government-linked agency), ACCA, Mitsui Sumimoto Insurance, amongst others.

He graduated with a Master of Science in Management and Bachelor of Arts in Business Administration (Finance) from United States. He is a *Certified Situational Leadership II Experience (SLX) Trainer*, a *Certified NLP®* and *Timeline Therapy® Practitioner*, and *Accredited with Personal Profile Analysis (PPA) aka DISC*.

### **DATIN SRI TAN LOO YIN**

Malaysian, Female, aged 44

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Datin Sri Tan Loo Yin obtained her Bachelor (Hons) Degree in Business Economics & Marketing from Middlesex University, United Kingdom in 2000. She joined Bonia Group in 2006 as Personal Assistant. She was promoted to the position of Brand Manager of the leatherwear division in January 2007. Thereafter, she was appointed as Executive Director of SBC Holdings Sdn. Bhd. and primarily responsible for research and development, product distribution and brand management for SEMBONIA Brand.

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## Profile of Key Senior Management

As at 30 September 2022

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### **DATIN SRI LINDA CHEN MAYYEN**

Malaysian, Female, aged 38

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Datin Sri Linda Chen joined Bonia Group in June 2019 as Marketing & Communications Director. She graduated with a Bachelor of Business and Commerce degree in Marketing and Management from Monash University, Melbourne in year 2006. With her past 14 years of extensive experience in brand management and entrepreneurship, she is entrusted with the responsibilities of branding, marketing & communications strategies for BONIA and Braun Buffel. In June 2022, she was assigned as Creative Director to oversee the overall product designs developments, media relations, corporate communications and marketing to maintain consistency in branding of the brands.

### **WONG KWONG TUNG**

Malaysian, Male, aged 36

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Wong Kwong Tung joined Bonia Group in March 2021 as Deputy Chief Financial Officer and promoted to Group Chief Financial Officer on 1 July 2022. He is responsible for the Group's overall financial operations.

He graduated with a Bachelor of Commerce from University of Queensland, Australia in 2007. He is a member of the Malaysian Institute of Accountants and CPA Australia.

He began his career with PricewaterhouseCoopers Malaysia in 2008, where he gained extensive experience by providing auditing, accounting, tax and advisory services to a wide range of clients including local enterprises and multinational companies in retail, integrated livestock farming, healthcare, manufacturing, consumer and industrial products, food and beverages, quarry, automotive and logistic.

### **CHIANG FONG XIANG**

Singaporean, Male, aged 34

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Chiang Fong Xiang graduated with a Bachelor Degree in Economics and Finance from Singapore Institute of Management (SIM) – RMIT University, Melbourne in 2013. He joined Active World Pte. Ltd. (a subsidiary of Bonia Corporation Berhad) on 1 May 2013 and lead the merchandising and marketing division. In 2014, he was appointed as a Director of Active World Pte. Ltd. overseeing the BONIA leatherwear division. He is currently responsible for research and development, product sourcing, planning and implementation of marketing strategy, product distribution for ladies' leatherwear in department stores and boutiques.

*Notes:*

1. *Chiang Sang Sem, Datuk Chiang Heng Kieng, Dato' Sri Chiang Fong Yee, Dato' Sri Chiang Fong Tat, Dato' Sri Chiang Fong Seng, Chiang May Ling, Chiang Fong Chyen, Datin Sri Tan Loo Yin, Datin Sri Linda Chen May Yen, and Chiang Fong Xiang have family relationships.*
2. *Save as disclosed, none of the Key Senior Management have:*
  - *any directorship in public companies and listed issuers;*
  - *any family relationship with any Directors and/or substantial shareholders of the Company, and/or other Key Senior Management of Bonia Group;*
  - *any conflict of interest with the Company; and*
  - *any conviction for offences (other than traffic offences) within the past 5 years, and/or any public sanction or penalty imposed by regulatory bodies during FY2022.*

# CORPORATE STRUCTURE

AS AT 30 SEPTEMBER 2022

## BONIA CORPORATION BERHAD

### 100% Active World Pte. Ltd.

Wholesaling and retailing of fashionable leather goods and apparels

### 100% Active Franchise Pte. Ltd.

General wholesale trade including general importers and exporters

### 100% Jetbest Enterprise Pte. Ltd.

Wholesaling, retailing, importing and exporting of leather goods and accessories

### 100% PT Active World

Investment holding

### 100% Alpha Footwear Sdn. Bhd.

Marketing, retailing and distribution of men's and ladies' footwear

### 100% Ataly Industries Sdn. Bhd.

Property investment

### 100% Banyan Sutera Sdn. Bhd.

Marketing and distribution of fashionable goods

### 100% PT Banyan Cemerlang

Wholesaling of fashionable goods and accessories

### 100% BCB Properties Sdn. Bhd.

Property development

### 60% Apex Marble Sdn. Bhd.

Marketing and distribution of fashionable goods

### 68% Casa Bologna Sdn. Bhd. \*

Property investment and investment holding

\* effective interest

### 100% CB Franchising Sdn. Bhd.

Retailing of leather goods and apparels

### 100% CB Holdings (Malaysia) Sdn. Bhd.

Property investment, provision of management services and treasury management services

### 100% CB Marketing Sdn. Bhd.

Designing, promoting and marketing of fashionable leather goods

### 100% Daily Frontier Sdn. Bhd.

Marketing, distribution and export of fashionable goods and accessories

### 100% Daily Frontier (Vietnam) Company Limited

Wholesaling, retailing, importing and exporting of fashionable products, accessories and cosmetics

### 100% De Marts Marketing Sdn. Bhd.

Designing, promoting and marketing of fashionable ladies' footwear

### 100% Dominion Directions Sdn. Bhd.

Marketing and distribution of men's apparels and accessories

### 100% Galaxy Hallmark Sdn. Bhd.

Marketing and distribution of all fashionable goods

### 75% VR Directions Sdn. Bhd.

Marketing and distribution of men's apparels and accessories, and ladies' apparels

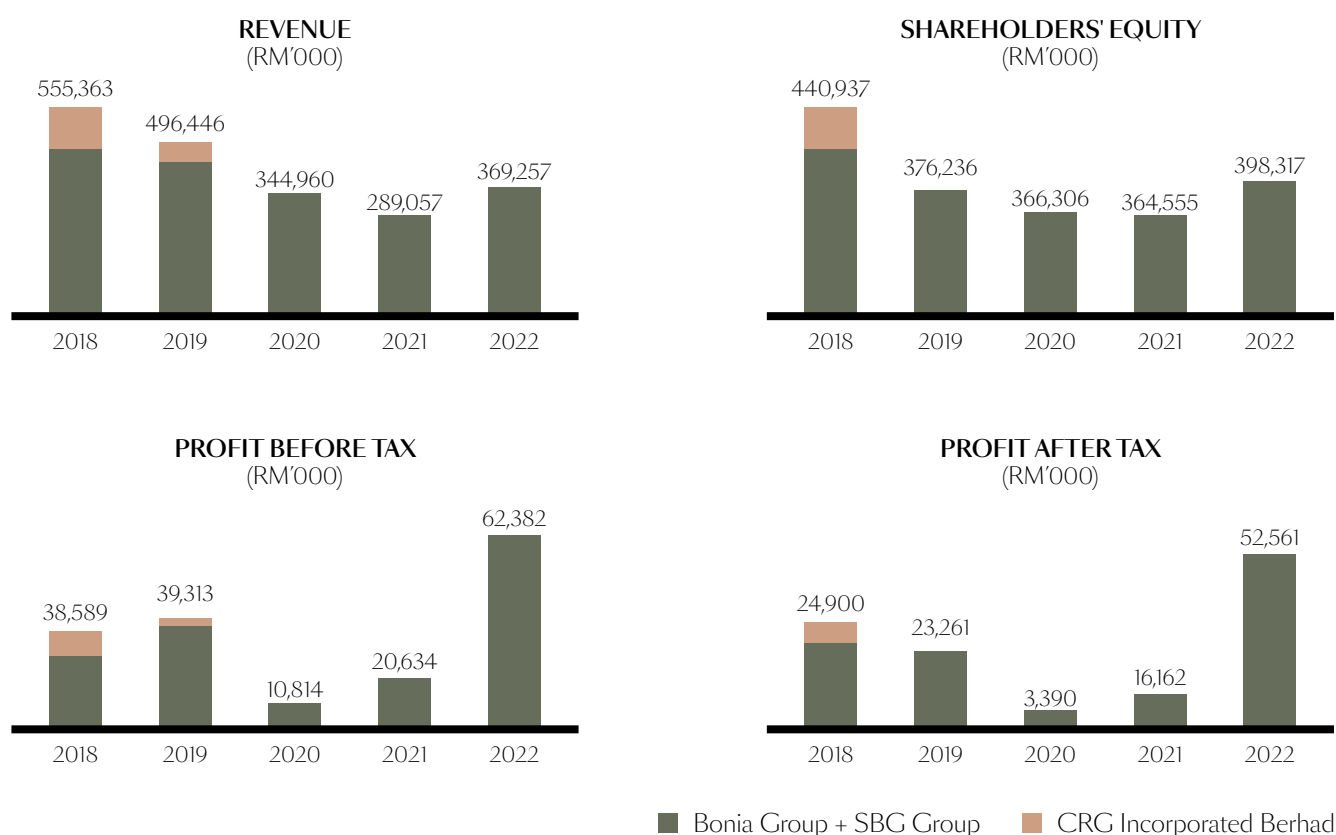
### 100% Eclat World Sdn. Bhd.

Designing, promoting and marketing of fashionable men's footwear





## GROUP FINANCIAL HIGHLIGHTS



	FY2018 RM'000	FY2019 RM'000	FY2020 RM'000	FY2021 RM'000	FY2022 RM'000
Revenue	555,363	496,446	344,960	289,057	<b>369,257</b>
Profit before tax	38,589	39,313	10,814	20,634	<b>62,382</b>
Profit after tax	24,900	23,261	3,390	16,162	<b>52,561</b>
Profit attributable to:					
- Shareholders of the parent	19,785	18,028	2,778	13,872	<b>45,008</b>
- Non-controlling interests	5,115	5,233	612	2,290	<b>7,553</b>
Shareholders' equity	440,937	376,236	366,306	364,555	<b>398,317</b>
No. of ordinary shares in issue ('000) (Excluded treasury shares)	805,651	790,553	196,220 <sup>(2)</sup>	200,995	<b>200,995</b>
Weighted average no. of ordinary shares ('000) (Excluded treasury shares)	201,413 <sup>(2)</sup>	200,911 <sup>(2)</sup>	196,906 <sup>(2)</sup>	194,965	<b>200,995</b>
Net assets per share (RM)	0.55	0.48	1.87	1.81	<b>1.98</b>
Basic EPS (sen)	9.82	8.97	1.41	7.12	<b>22.39</b>
Final and Interim dividend per share (sen)	Nil	0.50 <sup>(3)</sup>	2.00	4.00 <sup>(1)</sup>	<b>19.00</b>

Notes: The financial information above comprises both continuing and discontinuing operations.

<sup>(1)</sup> In FY2021, the Company completed its distribution of a share dividend in respect of the financial year ended 30 June 2021 on the basis of eight (8) treasury shares for every one hundred (100) ordinary shares of the Company to the eligible shareholders of the Company.

<sup>(2)</sup> In FY2020, the Company completed its share consolidation exercise following the consolidation of the Company's then existing number of shares of 806,287,400 shares (inclusive of 16,882,400 treasury shares) into 201,571,842 consolidated shares (inclusive of 4,220,600 consolidated treasury shares) and the listing of and quotation for the same on the Main Market of Bursa Malaysia Securities Berhad on 23 December 2019. Accordingly, the weighted average number of shares of the Company for FY2018 and FY2019 were adjusted to reflect a consistent comparison of net assets per share, basic EPS and dividend per share.

<sup>(3)</sup> On 13 November 2018, the Company completed the distribution of its entire shareholding in CRG Incorporated Berhad ("CRG") and its rights to CRG's 805,651,400 ordinary shares (equivalent to CRG's issued share capital of RM68,000,000) by way of dividend-in-specie on the basis of one (1) CRG share for every one (1) share of the Company held on 1 November 2018. Accordingly, the financial information of CRG was deconsolidated from Bonia Group since then.

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# BOARD REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

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## DEAR SHAREHOLDERS

We are pleased to present the Annual Report 2022, the Audited Financial Statements for the financial year ended 30 June 2022 and the Management Discussion and Analysis of results of operations and financial conditions of Bonia Corporation Berhad (“Bonia”) and its group of companies (“Bonia Group” or “Group”).

## BUSINESS OVERVIEW

Bonia is a public company listed on the Main Market of Bursa Malaysia Securities Berhad since 1994. The Group’s core activities are product design, manufacturing, marketing, distribution and retail of luxury leather goods, footwear, apparel, accessories and lifestyle products of our house brands and licensed brands. The Group is also involved in real estate investment and provision of management services.

### Our Brands

**BONIA**

**BRAUN BÜFFEL**

**SEMBONIA**

### Licensed Brands

**renoma**  
PARIS

*Valentino Rudy*  
ITALY

SANTA BARBARA  
  
POLO & RACQUET  
CLUB®  
Since 1911, U.S.A.

In Malaysia and Singapore, our products are marketed through numerous stand-alone boutiques and consignment counters. For other overseas markets, our products are sold through retail stores managed by our licensees, distributors and dealers.

For e-commerce channel, we operate our own online platform through [www.bonia.com](http://www.bonia.com), [www.sembonia.com](http://www.sembonia.com), [www.braunbuffel.com](http://www.braunbuffel.com) and the major marketplaces such as Zalora, Shopee and Lazada. Recently, the Group has also expanded into social commerce and activated our BONIA and Braun Buffel TikTok Shop.

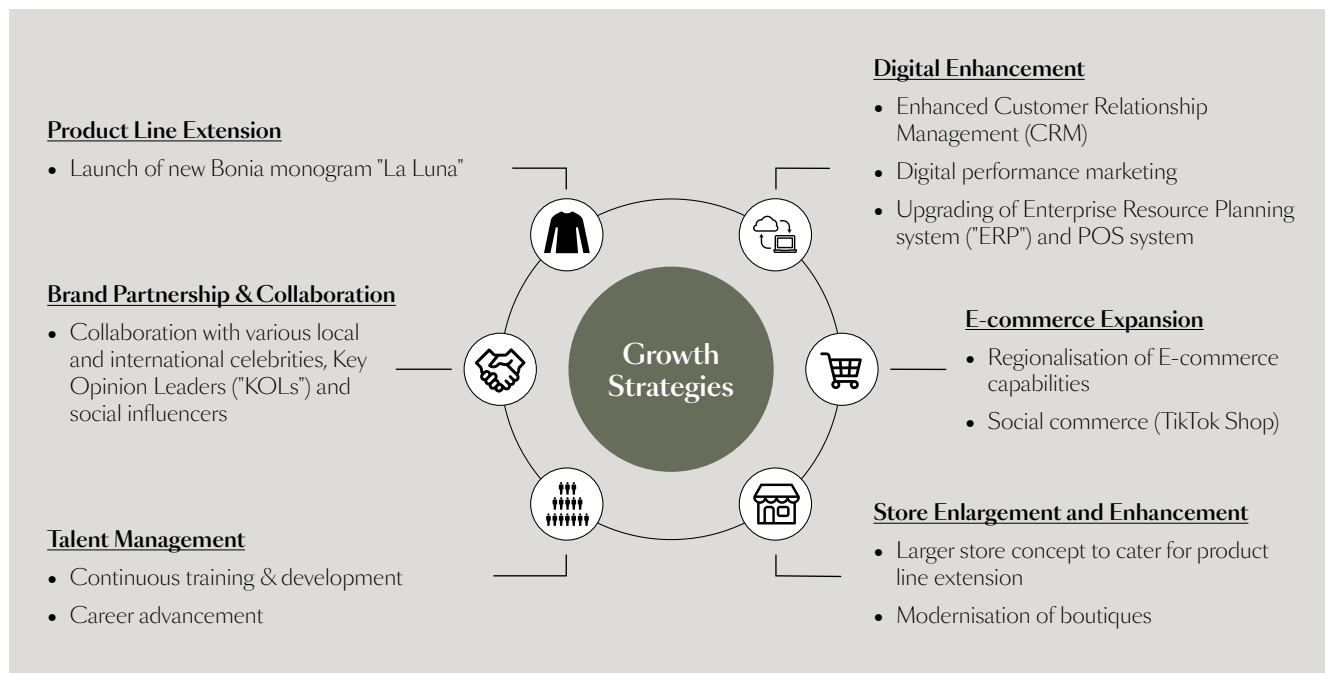
The Group’s leather goods and other products are mainly sourced from contract manufacturers and OEM factories from Malaysia, China and other ASEAN countries. We also operate a manufacturing facility in Melaka that produces Bonia brand of leather goods.

The Group remains committed to deliver sustainable growth that helps to enhance competitiveness, whilst creating value for our stakeholders. We adhere closely to our objectives and business strategies to design and produce innovative portfolio of timeless products that inspire and amplify an enriched lifestyle across generations.

# Board Report & Management Discussion and Analysis

## BUSINESS STRATEGIES

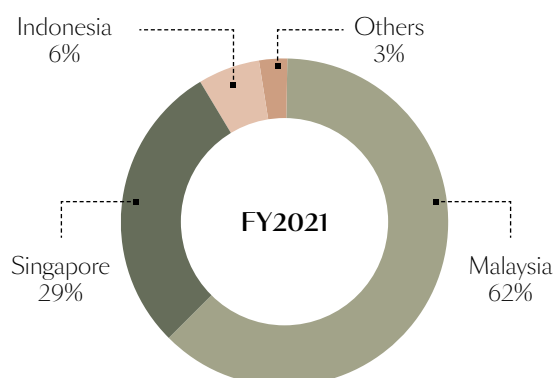
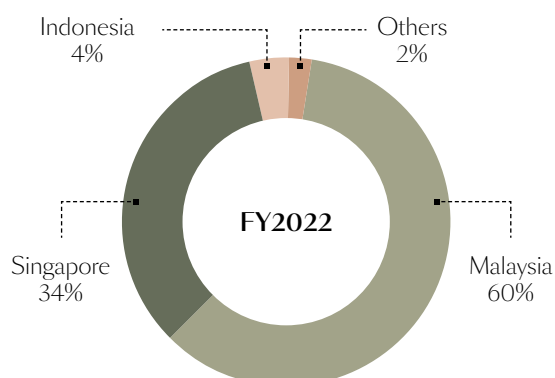
Our Group's business strategies which are based on the 6 growth pillars are summarised as follows:



## OPERATIONAL REVIEW

### Retail revenue contribution by country:

**Retail revenue:**  
 FY2022: RM367 million  
 FY2021: RM288 million



\* Comprising both continuing and discontinuing operations

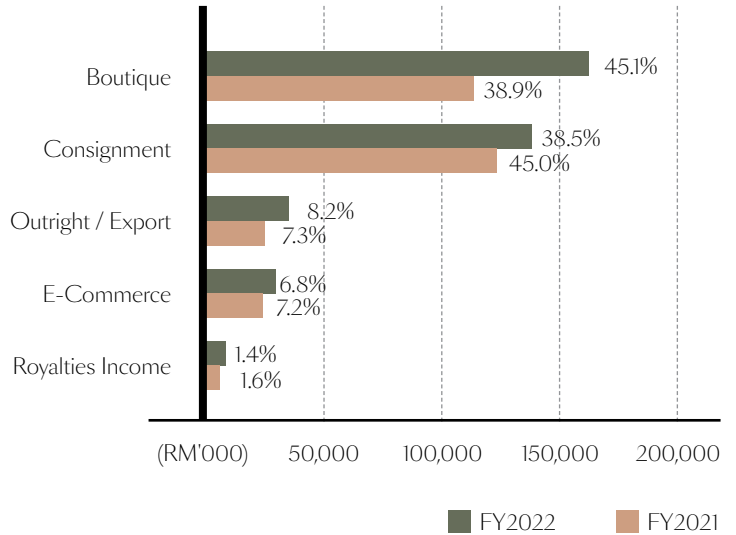
The Group's retailing sector continued to be the main driver of its revenue and profit of the Group. Our principal markets are in Malaysia, followed by Singapore, Indonesia and other countries as shown on the chart above. In FY2022, our Group recorded increase in retail revenue by 27.4% to RM367 million from RM288 million, despite the business activities in 1Q2022 was significantly tempered by the nationwide lockdown imposed as a result of COVID-19 pandemic. Revenue rebounded strongly for the subsequent 3 quarters upon resumption of economic activities and reinstatement of interstate and international travelling as the pandemic related restrictions eased.

## OPERATIONAL REVIEW (Continued)

### Retail revenue contribution by business segment:

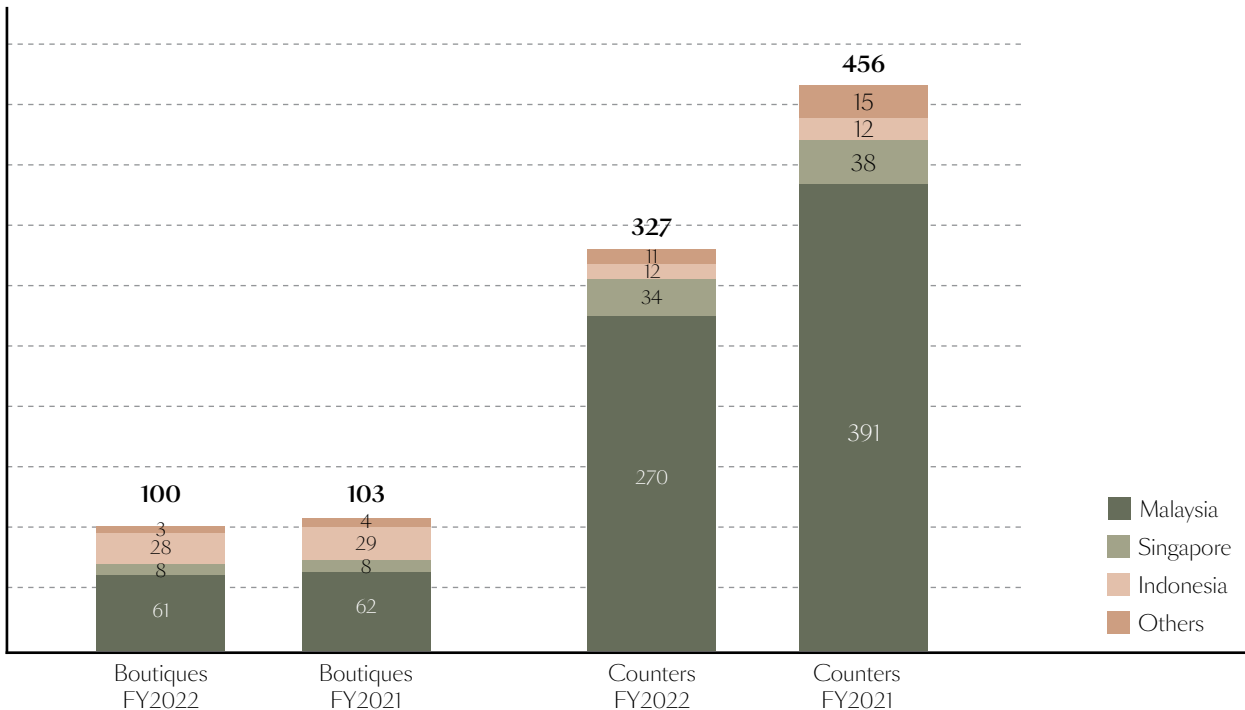
The Group has embarked on stores rationalisation exercise in recent years by closing of non-performing boutiques and opening of modernised boutiques at strategic malls. Coupled with the relaxation of pandemic-related restrictions, boutique sales have fetched higher contribution of 45.1% of total revenue during the year (FY2021: 38.9%).

Departmental stores presence has reduced during the financial year as part of the rationalisation strategy by closing the non-performing consignment counters and the exit of Co Blanc and The Savile Row Company brands in last financial year. Nevertheless, consignment revenue remained as the Group's second largest revenue contributor at 38.5% for FY2022.



Our Group continue to embark on the e-commerce journey, showing revenue growth from RM21 million to RM25 million during the year, contributed 6.8% of the total retail revenue. The Group focuses on performance marketing at various digital platforms to generate lead, click and conversion of sales.

### No. of boutiques and counters (all brands)

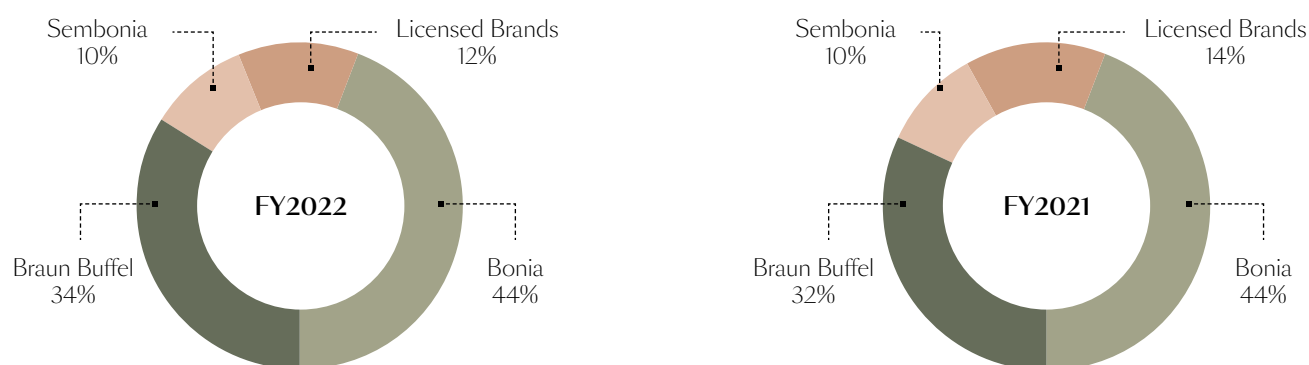


Moving forward, the Group will continue to optimise its physical presence via opening or relocating its new boutiques at strategic location in prominence retail malls such as IOI City Mall, Mid Valley Southkey, 1 Utama Shopping Centre and The Gardens Mall. The Group aims to provide outstanding customer experience by modernisation of the boutique design concept. The Group will also continue to leverage on the social media and digital marketing to increase the brand's awareness.

# Board Report & Management Discussion and Analysis

## OPERATIONAL REVIEW (Continued)

### Revenue contribution by brand:



## FINANCIAL ANALYSIS

Table 1: Financial Performance

	FY2022			FY2021			Increase/ (decrease)		
	Cont'g	Discont- ing <sup>(*)</sup>	Total	Cont'g	Discont- ing <sup>(*)</sup>	Total	Cont'g	Discont- ing <sup>(*)</sup>	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%	%	%
Revenue	333,011	36,246	369,257	261,219	27,838	289,057	27.5	30.2	27.7
Gross profit ("GP")	192,494	22,564	215,058	136,955	17,120	154,075	40.6	31.8	39.6
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	91,541	9,539	101,080	57,261	5,072	62,333	59.9	88.1	62.2
Depreciation	(29,807)	(3,465)	(33,272)	(32,076)	(3,794)	(35,870)	-7.1	-8.7	-7.2
Amortisation	(1,520)	-	(1,520)	(1,798)	-	(1,798)	-15.5	-	-15.5
Finance income and cost, net	(3,890)	(9)	(3,899)	(3,940)	(91)	(4,031)	-1.3	-90.1	-3.3
Profit before tax ("PBT")	56,324	6,065	62,389	19,447	1,187	20,634	189.6	411.0	202.4
Taxation	(8,880)	(941)	(9,821)	(4,138)	(334)	(4,472)	114.6	181.7	119.6
Profit after tax ("PAT")	47,444	5,124	52,568	15,309	853	16,162	209.9	500.7	225.3

# Board Report & Management Discussion and Analysis

## FINANCIAL ANALYSIS (Continued)

**Table 1: Financial Performance (Continued)**

	FY2022			FY2021		
	Cont'g	Discont- ing <sup>(*)</sup>	Total	Cont'g	Discont- ing <sup>(*)</sup>	Total
	%	%	%	%	%	%
<b>Financial ratios</b>						
GP Margin	57.8	62.3	58.2	52.4	61.5	53.3
EBITDA Margin	27.5	26.3	27.4	21.9	18.2	21.6
PBT Margin	16.9	16.7	16.9	7.4	4.3	7.1
PAT Margin	14.2	14.1	14.2	5.9	3.1	5.6

\* Pursuant to the demerger of SBG Group as disclosed in Note 26 to the financial statements, the financial results of SBG Group was classified as discontinuing operation

It had been a challenging yet satisfactory year for the Group in FY2022. The Group experienced a slow start in 1Q2022 due to the nationwide lockdown but rebounded strongly in the subsequent quarters as the economy reopen. The continuous brand building exercise and product development in launching trendy and fashionable products continued to drive the Group's performance.

As we mitigated the impact of the pandemic, the Group registered a revenue and profit before tax from continuing operations of RM333 million and RM56 million respectively for the financial year ended 30 June 2022, as compared to RM261 million and RM19 million respectively recorded in the previous financial year.

On the financial ratios, the Group recorded a strong growth across all metrics as compared to the prior financial year. Improved GP Margin were attributable to the rationalisation of discount given. EBITDA Margin strengthened to 27.5% from 21.9% in line with the improved GP margin and operational efficiency. Similarly, the improved GP Margin have given rise to a stronger PBT and PAT Margin.

The Group received RM6.7 million lease concession from the various shopping mall operators during the year as a result of the nationwide lockdown in 1Q2022 where our retail business activities were halted. Following the recovery of the economy activities, the Group recorded a reversal of impairment loss on trade and other receivables of RM2.9 million during the year. The Group also recorded a gain of disposal of properties during the financial year amounting to RM3.5 million.

The Group's commitment to deliver sustainable shareholder value has enabled the Group to remain resilience in time of unprecedented challenges.

### Effective tax rate

The Group's effective tax rate stood at 15.7% for the financial year under review, lower compared to 21.7% in the preceding financial year and statutory tax rate of 24% applicable to the Group. This was primarily due to over provision in the prior financial years and the utilisation of unabsorbed tax losses previously not recognised as deferred tax assets.

# Board Report & Management Discussion and Analysis

## FINANCIAL ANALYSIS (Continued)

**Table 2: Financial position and other financial information**

	FY2022*	FY2021*	Increase/ (decrease) %
	RM'000	RM'000	
Total Assets	645,498	581,677	11.0
Total Liabilities	222,348	196,642	13.1
Net Assets/ Shareholders' Equity	398,319	364,555	9.3
Net Current Assets	158,542	135,058	17.6
<u>Financial ratios</u>			
Quick ratio <sup>(1)</sup>	238.8%	226.6%	5.4
Debt to equity ratio <sup>(2)</sup>	55.8%	53.9%	3.5
<u>Working Capital Turnover Days</u>			
Inventories <sup>(3)</sup>	144	191	
Trade receivables <sup>(4)</sup>	30	33	
Trade payables <sup>(5)</sup>	(17)	(11)	
	<b>157</b>	<b>213</b>	

*Remarks:*

<sup>(1)</sup> Formula: (Cash and bank balances + short term funds + current receivables, excluding prepayments) / Current liabilities

<sup>(2)</sup> Formula: Total liabilities / Shareholders' equity

<sup>(3)</sup> Formula: Inventories / Cost of sales x 365 days

<sup>(4)</sup> Formula: Trade receivables / Total revenue x 365 days

<sup>(5)</sup> Formula: Trade payables / Cost of sales x 365 days

\* Comprising both continuing and discontinuing operations.

The Group's total assets rose to RM645 million mainly due to the increase in right-of-use assets and property, plant and equipment as a result of lease renewal and store enhancement capital expenditure. The Group's cash and bank balances has also increased in line with the increased earnings during the year, contributed to improved quick ratio by 5.4% compared to prior year.

The Group's total liabilities rose to RM398 million, attributable to the increase of lease liabilities in line with the increase in right-of-use assets. Trade payables balance rose in line with the increase in operating activities during the year. The increase in total liabilities led to the higher debt to equity ratio of 55.8% compared 53.9% in FY2021.

The Group's financial position remained healthy as at 30 June 2022 with an increase in shareholder's equity to RM398 million from RM365 million in prior financial year.

Net working capital turnover days had improved to 157 days from 213 days in FY2021 due to the lower inventory balance as a result of higher Hari Raya sales during 4Q2022.



# Board Report & Management Discussion and Analysis

## FINANCIAL ANALYSIS (Continued)

### NET CASH FROM OPERATING ACTIVITIES (RM'000)



### NET CASH USED IN INVESTING ACTIVITIES (RM'000)



### NET CASH USED IN FINANCING ACTIVITIES (RM'000)



### CASH AND CASH EQUIVALENTS (RM'000)



The Group closed the financial year with cash and cash equivalents of RM133 million, up from RM98 million in FY2021. The Group recorded an increase in net cash from operating activities, mainly attributable to higher earnings, improved working capital management evidenced by the shorter turnover days for receivables. Increase in cash used in investing activities were attributable to the purchase of property, plant and equipment, offset by the proceeds received from disposal of properties during the financial year. Increase in cash used in financial activities due to higher dividend paid amounting to RM14 million during the current financial year, offset by the non-recurring cash outflows for repurchase of treasury shares in FY2021.

## KEY BUSINESS RISKS

Our group are exposed to several business risks, namely the pandemic risk, economic risk and competition risk. These risks are discussed as follows:

Risk	Mitigation factors and opportunities
<p><b>Pandemic risk</b></p> <ul style="list-style-type: none"> <li>• Occurrence of pandemic could result in disruption to the business activities.</li> <li>• The discovery of new COVID-19 variants may dampen economic recovery in the near future, affecting the consumer spending behaviour.</li> <li>• The Government may resume the imposition of restrictions and policies on retail operations and import / export activities should the COVID-19 condition worsen.</li> <li>• This may have ripple effect on the supply chain and logistics that could adversely disrupt the supply of inventories and impeding the operational efficiency of the production and distribution cycle.</li> </ul>	<p>The Group continuously reviews its COVID-19 pandemic response plan in line with the development of the outbreak in each market we operate in. This includes a comprehensive legal and operations policy review with regards to our existing boutique stores and consignment agreements to minimise exposure of sudden changes in business operations environments in each country.</p> <p>The Group is leveraging on the significant boost in digital activity via increased presence in the e-commerce platform and marketplaces.</p> <p>The impact from operational disruptions is cushioned by the in-house manufacturing facility in Melaka. The Management also constantly review the Group's production plan and communicate with the suppliers to minimise the disruption to the production.</p>

# Board Report & Management Discussion and Analysis

## KEY BUSINESS RISKS (Continued)

Risk	Mitigation factors and opportunities
<p><b>Economic risk</b></p> <ul style="list-style-type: none"> <li>• Macroeconomic uncertainties arising from the pessimism in the global economic may impede domestic growth.</li> <li>• Consumer spending power are affected by GDP growth, consumer sentiment and domestic consumption patterns.</li> <li>• Other economic risks such as interest rate risks, foreign currency exchange rates may affect the business operating costs.</li> </ul>	<p>The Management continues to be forward looking in monitoring and reviewing the business plan to ensure the Group remained vigilant in the current economic conditions. The Management also continue to develop positive professional relationships with our stakeholders.</p> <p>The Group's overall financial risk management policies seek to manage and minimise the potential adverse effects of these risks on the financial performance of the Group. The Group's exposure to these financial risks are managed through risk reviews, internal control systems, and adherence to Group Policies which are implemented on a group-wide basis. The Board regularly reviews these risks and approves the policies covering the management of these risks.</p>
<p><b>Competition risk</b></p> <ul style="list-style-type: none"> <li>• Increasing number of new market players and competitive pressure from established international players.</li> <li>• Ever-changing customer expectations and preference.</li> <li>• Talent management in retaining valuable intellectual property of the Group.</li> </ul>	<p>The Group conducts periodic customer surveys for each of our brands, focuses on brand perception, designs, quality and pricing amongst others. Products are launched, priced and marketed based on market feedback as well as input from our designers and respective brand managers who are well-versed with the latest fashion trends in global and local markets.</p> <p>The Group constantly invests in digital marketing to create brand awareness and enhance brand equity.</p> <p>The Group acknowledges that its people are one of its greatest assets. The Group continue to embrace diversity in our workforce while creating a workplace that fosters new ways of thinking, doing and being.</p>

Other risk management and internal control measures are discussed in detailed in the Statement of Risk Management and Internal Control of this Annual Report.

## OUTLOOK & PROSPECTS

Given the current geopolitical environment and considering the health situation, the Group will maintain a strategy focused on continuously strengthening the desirability of its brands, by relying on the product quality and innovation, that will enable us to be the leading lifestyle group.

The Group has laid out 6 growth pillars, namely digital enhancement, e-commerce expansion, store enhancement and enlargement, product line extension, brand partnership and collaboration and talent management to deliver a sustainable business.

For offline channel, the Group will focus on opening of new boutiques at strategic locations and modernising boutique design concept to enhance the shoppers retail experience.

For e-commerce channel, we will continue to embrace on the technological advancement by investing in digital performance marketing to create digital content, generate traffic and sales. We remained positive that e-commerce will continue to grow as consumers have adapted to the new normal and it will remain relevant and complement our brick-and-mortar stores.

As we moved to the COVID-19 endemic phase and the gradual return of the international tourism, the Group is well-positioned to capitalise on the rebound with our new marketing campaigns and product innovations.

## MAJOR CORPORATE DEVELOPMENTS

The Company is in the midst of implementing the Proposals (ie. Proposed Demerger and Proposed Listing, collectively) as detailed in the Company's Circular to shareholders in relation to the Proposed Listing of SBC Holdings Sdn. Bhd. on the Leap Market of Bursa Malaysia Securities Berhad dated 22 July 2021, the Board of Directors shall keep you informed of the progress through our announcements to Bursa Malaysia Securities Berhad.

## UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

There were no fundraising exercises implemented during the financial year 2022.

## MATERIAL CONTRACTS

During the financial year, there were no material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company and its subsidiaries involving Directors' and substantial shareholders' interests.

## DIVIDENDS

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

- i. First interim dividend of 2.00 sen per ordinary share (single tier) amounting to approximately RM4,020,000 for the financial year ended 30 June 2022 was declared on 28 September 2021, and was paid on 28 October 2021.
- ii. Second interim dividend of 2.00 sen per ordinary share (single tier) amounting to approximately RM4,020,000 for the financial year ended 30 June 2022 was declared on 24 February 2022, and was paid on 29 March 2022.
- iii. A special interim dividend of 1.00 sen per ordinary share (single tier) amounting to approximately RM2,010,000 for the financial year ended 30 June 2022 was declared on 24 February 2022, and was paid on 29 March 2022.
- iv. Third interim dividend of 2.00 sen per ordinary share (single tier) amounting to approximately RM4,020,000 for the financial year ended 30 June 2022 was declared on 18 May 2022, and was paid on 16 June 2022.
- v. Fourth interim dividend of 2.00 sen per ordinary share (single tier) amounting to approximately RM4,020,000 for the financial year ended 30 June 2022 was declared on 25 August 2022, and was paid on 30 September 2022.
- vi. A special dividend of 10.00 sen per ordinary share (single tier) amounting to approximately RM20,100,000 for the financial year ended 30 June 2022 was declared on 25 August 2022, and was paid on 30 September 2022.

In our commitment to delivering sustainable shareholder value, the Group has adopted a dividend policy to distribute not less than 30% out of its consolidated profit after taxation attributable to shareholders available in each financial year, commencing from the financial year ending 30 June 2023.

## ACKNOWLEDGEMENTS

On behalf of the Board, we would like to express our utmost and sincere appreciation and gratitude to the management and staff for their conscientious efforts, commitment and dedication to delivering results despite the unprecedented challenging operating environment. The successes we achieved could not have been possible without their efforts.

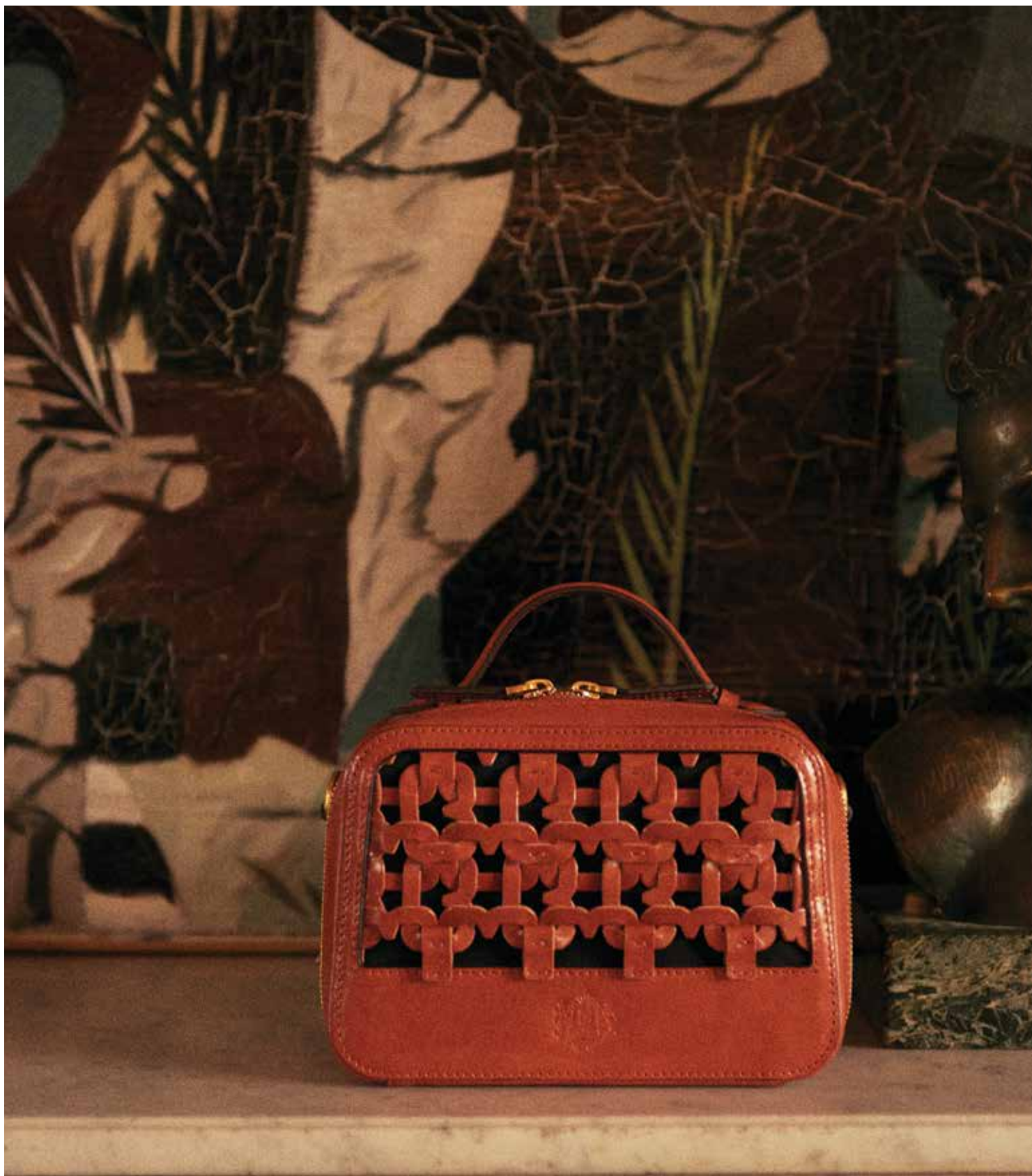
We are also grateful to our valued customers, partners, shareholders, business associates, government authorities and financiers for their continued support and confidence in the Group.

For and on behalf of  
The Board of Bonia Corporation Berhad

## CHIANG SANG SEM

Founder and Group Executive Chairman

13 October 2022



## HABITOLOGIE - SPRING/SUMMER 2022 COLLECTION

Inspired by the works of visionary architect Antti Lovag, the Spring/Summer 2022 Collection translates his signature rounded shapes and earthen tones into an elegant series that depicts both utility and design at its peak.



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# SUSTAINABILITY STATEMENT

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## INTRODUCTION

At Bonia Corporation Berhad (“Bonia”) or (“Company”), we define sustainability as responsible business practices that address the environmental, economic, and social impacts of our business operations and strategies. We recognise the profound importance sustainability has on our organisation and the role that we play in ensuring we manage and operate our business safely, efficiently, and responsibly. Bonia and its subsidiaries (“Bonia Group”) or (“Group”), aim to continuously improve upon our sustainability approach in a manner that protects all stakeholders including employees, communities, shareholders and the environment.

This Sustainability Statement (“Statement”) is prepared as a means of communication between Bonia Group and our various stakeholders to provide insights and highlights of our progress on sustainability-related issues within the economic, environmental, social and governance spaces.

## ABOUT THIS STATEMENT

All information reported in this Statement covers the period from 1 July 2021 to 30 June 2022 (“FY 2022”), corresponding to the Group’s financial year. This Statement comprises our sustainability performance and initiatives of the retail business operations of the Group; with a focus on our principal market in Malaysia as the main contributor to revenue and profit of the Group, unless otherwise specified. We have not sought any external assurance for this Statement.

We will continue to expand our reporting scope and we have also continuously enhanced our communication process with key stakeholders as outlined in page 46.

For further information regarding sustainability at Bonia or to provide feedback on this Statement, please contact our Corporate Sustainability Committee at [sustainability@bonia.com](mailto:sustainability@bonia.com).

## SUSTAINABILITY STATEMENT

### Sustainability Governance

Over the years, we have refined our governance structures to be in line with our sustainability agenda. We have embedded sustainability through our purpose, aware that good corporate governance includes good leadership, strong accountability, transparency and responsibility. Our Board of Directors and Management continue to ensure the Group’s commitment to all our stakeholders are upheld, including customers, employees, suppliers and society. We seek to implement sustainability strategies across the organisation as we generate economic value while being cognizant of environmental and social value creation. Bonia’s approach to overseeing our sustainability governance is to integrate responsibility and action into the organization, driving change from the top down as the Board affirms its responsibility for the integration of the Group’s sustainability agenda within its business strategy.

## SUSTAINABILITY STATEMENT (Continued)

### Sustainability Governance (Continued)

The following diagram details the roles and responsibilities of our sustainability governing bodies:

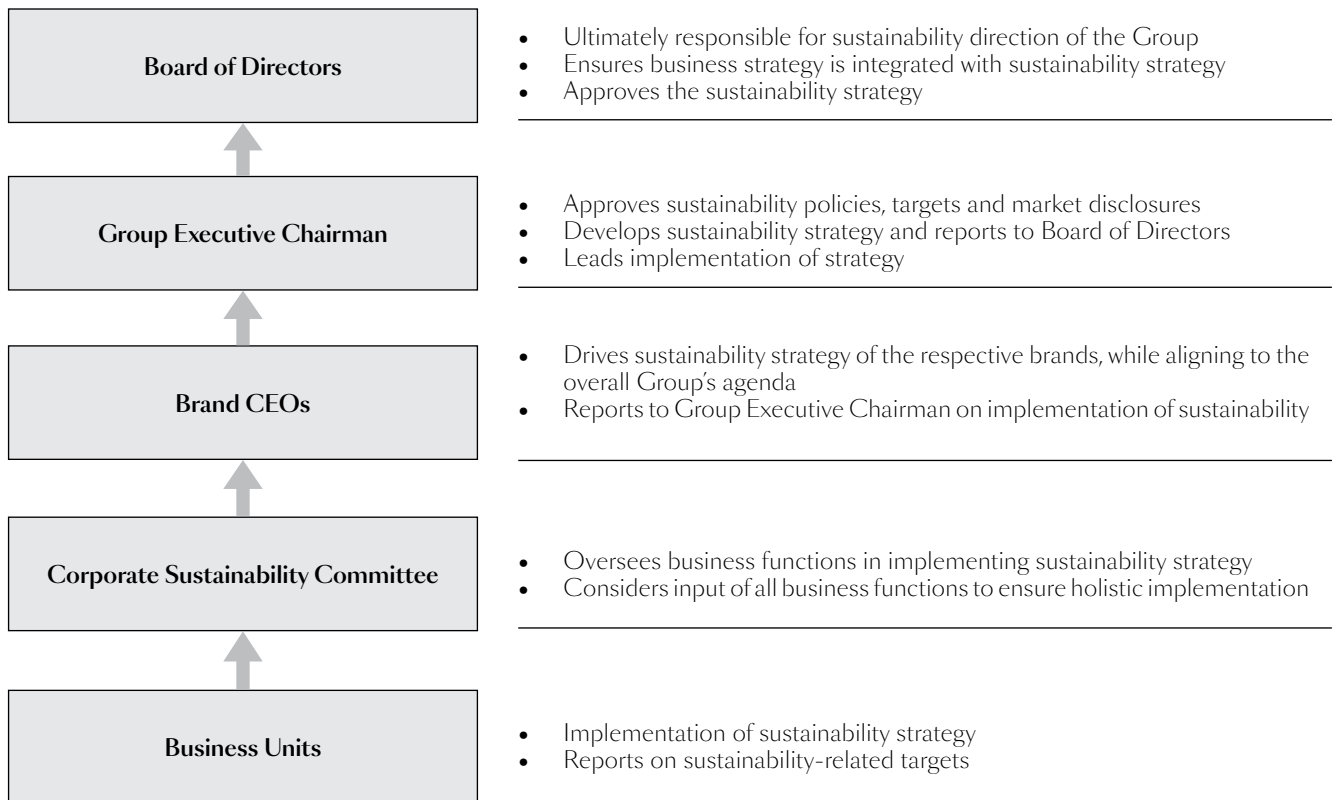


Diagram 1: Bonia's Sustainability Governance

### Stakeholder Engagement

Bonia engages with our stakeholders through a variety of channels, including townhalls, media engagement and briefings, social media as well as customer feedback mechanisms. We value stakeholder input and maintain constructive communication via an active and open dialogue with our stakeholders, ensuring the company's priorities remain intact and are communicated appropriately to all stakeholders. We believe that to achieve our vision, we need to nurture strong and trusted relationships with our stakeholders, to better support our long-term success and sustainability. While maintaining direct communication with our stakeholder groups, our team also reviews material topics from stakeholder engagement sessions from time to time to ensure we are aligned with global trends.

In FY2022, we conducted an internal assessment with our staff with the goal of understanding a range of factors including how engaged our workforce is, their trust and confidence in our leadership and management teams, and their opinions/concerns on Environmental, Social and Governance (ESG) issues.

# Sustainability Statement

## SUSTAINABILITY STATEMENT (Continued)

### Stakeholder Engagement (Continued)

As the nature of our business relies on partnerships with a variety of stakeholders, our stakeholder engagement, including topics of concern and management of issues, are listed here.

Key stakeholders	Channel of communication	Key topics and concerns	Our responses
<b>Employees</b> Individuals employed by Bonia Group, including the Board of Directors	<ul style="list-style-type: none"> <li>■ Performance appraisal</li> <li>■ Meetings</li> <li>■ Intranet</li> <li>■ Company events</li> </ul>	<ul style="list-style-type: none"> <li>• Career development</li> <li>• Competitive remuneration</li> <li>• Employee benefits</li> <li>• Performance improvement</li> </ul>	<ul style="list-style-type: none"> <li>• Individual and departmental Key Performance Indicators (“KPIs”)</li> <li>• Company performance</li> <li>• On-the-job supervision and mentoring</li> <li>• Training and career advancement opportunities</li> <li>• Rewards and appreciation</li> </ul>
<b>Customers</b> Existing and potential consumers of our products	<ul style="list-style-type: none"> <li>■ Branding activities via both print and digital platforms</li> <li>■ Store visits</li> <li>■ Customer service channels</li> <li>■ Social Media</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of products</li> <li>• Promotional activities</li> <li>• Launch of new products</li> <li>• Loyalty member events</li> </ul>	<ul style="list-style-type: none"> <li>• Repairs, exchange or refunds</li> <li>• Investment in technology to enhance customer engagement and experience</li> <li>• Loyalty programme</li> </ul>
<b>Shareholders and Investors</b> Institutional and retail investors	<ul style="list-style-type: none"> <li>■ Investor Relations</li> <li>■ Annual General Meeting</li> <li>■ Company Reports</li> <li>■ Announcements</li> </ul>	<ul style="list-style-type: none"> <li>• Financial performance</li> <li>• Company strategy and direction</li> <li>• Dividend policy</li> <li>• Investor Relations website (<a href="http://boniacorp.com">http://boniacorp.com</a>)</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with rules and regulations</li> <li>• Accuracy of performance results</li> <li>• Transparent corporate governance practices</li> <li>• Return on investment and dividend payout</li> </ul>
<b>Suppliers</b> Active local and international suppliers who provide materials and resources used in the supply chain of Bonia Group	<ul style="list-style-type: none"> <li>■ Meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Transparent procurement practices</li> <li>• Company strategy and direction</li> <li>• Competitive pricing</li> </ul>	<ul style="list-style-type: none"> <li>• Clear procurement policies and processes</li> <li>• Strengthen the payment approval process</li> <li>• Market consolidation</li> <li>• Testing of new materials</li> <li>• Price ceiling</li> </ul>
<b>Partners</b> Licensor, dealers and landlords of Bonia Group Key Opinion Leaders (KOLs) Design consultants (boutiques, product designers) Digital partners (online Marketplaces, digital enablers)	<ul style="list-style-type: none"> <li>■ Meetings</li> <li>■ Social media</li> </ul>	<ul style="list-style-type: none"> <li>• Transparent procurement practices</li> <li>• Market and brand development</li> <li>• Sales performance</li> <li>• Operation coverage</li> <li>• Stock availability</li> </ul>	<ul style="list-style-type: none"> <li>• Clear procurement policies and processes</li> <li>• Business strategy to achieve sales targets</li> <li>• Cost efficiency</li> <li>• Stock monitoring</li> <li>• Updates on brand direction</li> </ul>
<b>Government/ Regulatory Authority</b> Malaysian Federal and State Governments, municipal councils and regulatory bodies	<ul style="list-style-type: none"> <li>■ Online and offline communications</li> <li>■ Site visits/meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory compliance</li> <li>• Bursa listing requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Full compliance with relevant laws and regulations</li> </ul>

Annually
  Monthly
  Periodically

Ongoing
  As and when required
  Quarterly

Table 1: Bonia's Stakeholder Engagement



SUSTAINABILITY STATEMENT (Continued)

Material Sustainability Matters

At Bonia we define material sustainability matters as those that significantly impact our economic, environmental and social factors and influence the decisions of our key stakeholders. Our material sustainability matters form the focus of this Statement and the basis for the indicators that we use to track and measure our sustainability performance.

Materiality Assessment Process

We continue to identify and prioritize material issues that impact our business, our communities and the environment, in tandem with those that matter most to our stakeholders. In FY2022, we undertook an internal feedback process from our employees to help us understand the sustainability issues this group of stakeholders want to see addressed in our strategy and reporting. As in the previous year, our team sent an online survey to all staff including heads of department across key business divisions, to provide their views on selected dimensions.

The materiality assessment process is detailed in Diagram 2 below:



Diagram 2: Bonia's Materiality Assessment Process

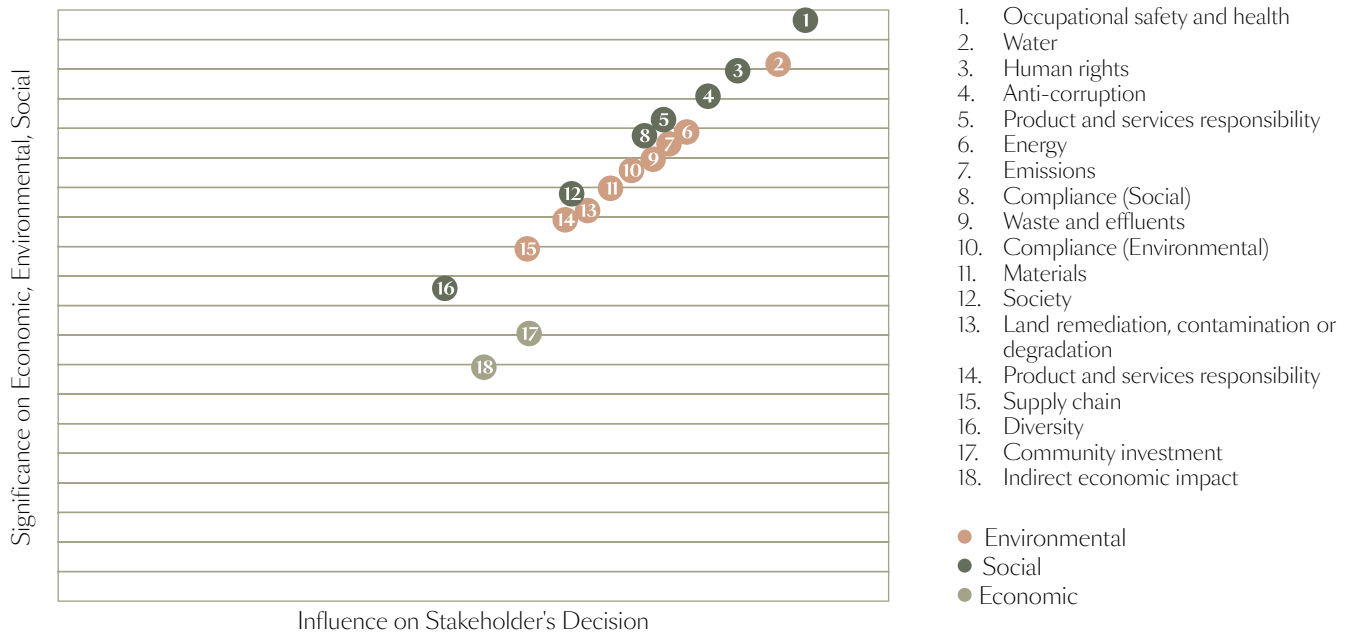
From this session, the majority of stakeholders who participated in the process reported they were mainly satisfied with our current sustainability practices and reporting methods. Key outcomes of the feedback process were:

- Over 70% of respondents rated environmental issues relating to emissions, waste and effluents, water and energy as highly important to them while over two-thirds of respondents indicated that Environmental Compliance is highly important to them.
- Human Rights issues were rated as important for almost 80% of respondents while over 85% of respondents identified Occupational Safety & Health issues as highly important; the latter probably owing to issues related to the pandemic.
- Finally, even though Bonia has not been able to partake in many Community Investment initiatives over the past two years due to the COVID-19 pandemic, over 60% of respondents surveyed rated Community Investment as a highly important issue.

# Sustainability Statement

## SUSTAINABILITY STATEMENT (Continued)

### Materiality Assessment Process (Continued)



These identified material sustainability matters are managed through three sustainability pillars identified below:



Diagram 3: Bonia's Sustainability Pillars

## CORPORATE GOVERNANCE

### Anti-Corruption

Bonia Group is committed to the highest levels of ethics and integrity within our business operations as we continue to conduct our business with honesty, trustworthiness, and professionalism in line with our corporate values. We believe in building and sustaining our business on clear principles and good governance which will help maintain trust in our brands.

As a responsible organization and in alignment with the Corporate Liability Provision under Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018, Bonia Group has enacted our own Anti-Bribery and Corruption Policy. The policy's purpose is to provide guidance with regards to the policies and procedures within the group in addition to setting out the Group's expectations.

At Bonia Group, we are committed to our Code of Conduct which is embedded within our Employee Handbook and outlines our expectations that all our employees conduct themselves in a proper, sensible and responsible manner at all times. The ongoing implementation of these business codes, policies and procedures ensures compliance within the organisation.

## CORPORATE GOVERNANCE (Continued)

### Whistleblowing Policy

Whistleblowing and Corporate Governance are interlinked; and an open and transparent corporate environment helps ensure that standards of transparency, accountability, ethics and integrity are practiced in the workplace. Bonia Group understands the importance of an appropriate whistleblowing policy as a tool in our corporate governance strategy.

Our Whistleblowing Policy provides a mechanism for relevant parties to raise their concerns responsibly and appropriately, without fear of reprisal or detrimental action. It is applicable to all employees and third parties who have become aware of or genuinely suspect on a reasonable belief that an employee of the Group has or is preparing to engage in any improper conduct. Improper Conduct is any conduct which, if proved, constitutes a disciplinary action or a criminal offence and includes the following:

- Criminal offences, unlawful acts, fraud, corruption, bribery and blackmail;
- Failure to comply with legal or regulatory obligations;
- Misuse of the company's funds or assets;
- An act or omission which creates a substantial and specific danger to the lives, health or safety of the employees or the public or the environment;
- Unsafe work practices or substantial wasting of company resources;
- Breach of policies and / or procedures;
- Conflict of interest;
- Abuse of power by an officer of the Company; and
- Concealment of any of the above.

Should any of our employee suspect that one of the above incidences has occurred, the reporting party may raise their concerns either verbally or in writing to the Audit and Risk Management Committee Chairman. The protection of the whistle-blower's identity is guaranteed under this Policy, unless the whistle-blower has given consent or if there is a requirement by law. Subsequently, an investigation will be initiated, and necessary action will be taken if warranted in the judgement of the Board.

In FY2022, zero incidents were reported via this channel.

## ECONOMIC PERFORMANCE

At Bonia, we recognize the importance of creating shared value between our business operations and our stakeholders. We view the relationship between business and communities as our engine for growth, thus we combine growing the economy with creating tangible value for our business including our shareholders, investors, local communities, employees and suppliers.

The Group continues to pursue sustainable profits through revenue generation, understanding that the key business sustainability lies in our strong financial performance. As a responsible business built on strong ethics, Bonia strives to contribute towards a more cohesive society which prioritises the economic well-being of its stakeholders. We aim to do this via a variety of activities, including community contributions, providing employment opportunities and servicing taxes. Below is a summary of how we distributed the economic value we generated over the past three years and a diagram representing our distribution of value for FY2022.

RM ('000)	FY2022	FY2021	FY2020
<b>Economic Value Generated</b>	360,828	289,193	322,616
<b>Economic Value Distributed</b>	297,162	272,564	294,232
Operating Cost	190,105	169,478	203,286
Employees	72,249	60,279	69,343
Government (Income tax)	10,065	4,834	6,748
Providers of Capital	23,902	37,356	14,727
Community (Donation)	841	617	128
<b>Economic Value Retained</b>	<b>63,666</b>	<b>16,629</b>	<b>28,384</b>

Table 2: Bonia's Value Distribution

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# Sustainability Statement

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## ECONOMIC PERFORMANCE (Continued)

**ECONOMIC VALUE RETAINED (RM '000)**

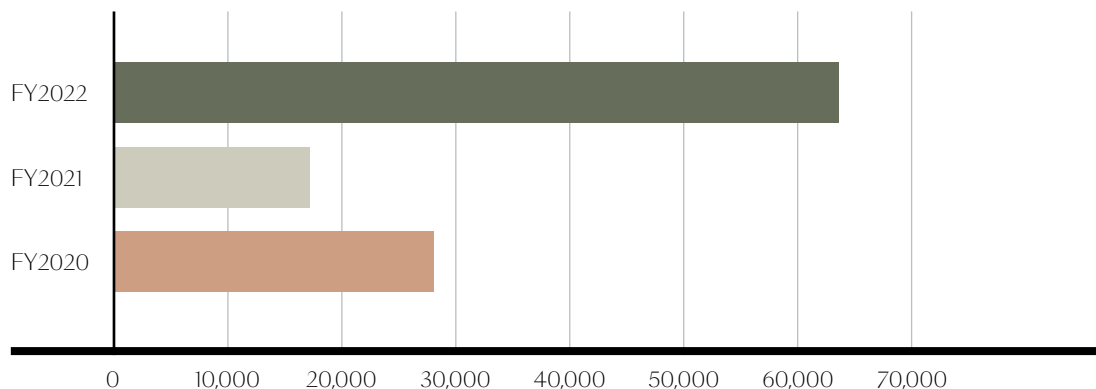


Diagram 4: Bonia's Economic Value Retained over the Past 3 Years

Further details on our financial performance can be found in the Financial Statements section of this Annual Report.

## DIGITALISATION AND INNOVATION

Over the past two years, the fashion industry has been very much affected by a number of issues namely growing economic uncertainty, the pandemic as well as everchanging trends and consumer expectations. The pandemic and ensuing lockdowns have accelerated the rise of digital technology within the industry as the vast majority of consumers are now using digital channels at various points of purchase.

What this means is that becoming a digitally savvy brand is now vital to an organisation with respect to its customer relationships. At Bonia, this entails becoming more accessible to a wider audience and amplifying our products and events across different social media platforms. Digitalisation is absolutely essential for Bonia Group's sustainability processes as we work on improving existing business processes, streamlining operations and enhancing customer experiences.

During the past financial year as movement restrictions were loosened, the Group's focus was on finding new ways to immerse our audience in our new, exclusive collections by hosting physical events such as pop ups, new boutique openings, member events and townhall meetings amongst others. At the same time, we incorporated digital elements in our events so as to increase engagement with customers and stakeholders alike. This included hosting AR games at our pop-ups and implementing QR scanning for event registration. At the corporate level, we live streamed our physical townhall meeting to our international offices as well as launched the corporate website.

For further information on these and other events, please refer to our Corporate Diary as disclosed in pages 10 to 17.

## CUSTOMER SATISFACTION

Bonia's customers are the key to the success of our business. One element of our business strategy is to ensure customer satisfaction via our excellent service and reward them for their loyalty as we strive to deliver on our promise of quality products. As part of our mission to be a recognised international luxury brand our aim is to ensure all customers receive a positive experience when shopping with us. In order to achieve this, we adhere to Bonia's Delightful Cycle as depicted in the diagram below.



Diagram 5 : Bonia's Delightful Cycle steps in servicing customers

## CUSTOMER SATISFACTION (Continued)

Even as we reach out to new potential customers, Bonia realizes the benefits of nurturing our existing relationships by expressing our appreciation to our loyal customers. Loyalty programmes provide exceptional customer support by offering rewards for regular purchases as well as special incentives and deals. We have found that our own Bonia Loyalty Programme has helped increase customer engagement and encourages our customers to purchase items at our boutiques instead of a competitor. Bonia's Brand Loyalty Programme began in 2009 and has offered members countless benefits which include member discounts and sales as well as birthday privileges.

A much-anticipated event for our customers continues to be our Members Day Event which is held annually at selected boutiques nationwide. Currently, our Loyalty Programme consists of 86,296 loyal members whom we continue to provide exclusive deals and rewards to.

The level of service that all Bonia customers receive in our retail boutiques continues to be a source of pride for us as a Group. Ensuring that all our retail staff offers customer service that is consistent with our brand values, we provide in-depth training to them so that they are adequately informed about all products in our range and can educate customers on appropriate leather care. Service does not stop at point of purchase as we also provide repair services and complimentary lifetime polishing services to every customer post purchase.

## Customer Engagement

The easing of the various nationwide movement restrictions during FY2022 meant that we were finally able to physically re-engage with our customers. Customer engagement is extremely important in our industry and any event we organize needs to be designed to stimulate consumer loyalty in this highly competitive marketplace. As we emerged from the state of lockdown which has clouded over us for the past two years, we wanted to design events that would personalize the buyer's journey, helping customers rediscover our brand. Listed below are some of the customer engagement events held throughout the past year.

### 1. BONIA Suria KLCC Flagship Store Grand Opening

In February, BONIA celebrated the grand opening of our Suria KLCC flagship store with a small party featuring the city's most prominent style influencers, entertainers and industry players. YAM Tengku Zatashah binti Sultan Sharafuddin Idris Shah, Princess of Selangor, our brand CEO and Group Executive Director, Dato' Sri Chiang Fong Seng, and Marketing, Communications and Creative Director, Datin Sri Linda Chen May Yen were with us in the opening ceremony.



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# Sustainability Statement

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## CUSTOMER SATISFACTION (Continued)

### Customer Engagement (Continued)

#### 2. BONIA B-Bakery Raya Pop Up at The Starhill

In an exclusive one-day B-Bakery pop-up at The Starhill, media and influencers were introduced to the BONIA 2022 Raya collection with activities that encapsulated café culture. The collection features an all-new Croissant Bag line and a new edition of the Crystal Venice.



#### 3. Launch of BONIA Tableware Collection at The Ruma Hotel & Residences

In November 2021, we hosted key media and influencers for an intimate soirée at The Ruma Hotel & Residences to celebrate the launch of BONIA's Tableware Collection. Titled 'A Tale of Three Dreamers', guests were transported to the cities that helped shape BONIA's dreams today, accompanied by tantalising dishes inspired by each tableware set.



#### 4. Braun Buffel Sunway Pyramid Reopening

In October 2021, Braun Buffel reopened its Sunway Pyramid boutique with a new concept, refreshing the brand's direction and fusing heritage with modernity.



## CUSTOMER SATISFACTION (Continued)


### Customer Engagement (Continued)


Over the past few years, there has been a noticeable shift in customer expectations. Customers today are more tech savvy than ever before, and their preferred method of communicating with brands is across several platforms ranging from social media and apps to standard email or care lines. We recognise the importance of tailoring our marketing strategies for these platforms so that we can meet our customers' specific needs and expectations. Among the many benefits of social media in our industry is easy brand accessibility via multiple channels which allow for easy customer contact points and engaging social interaction, all in real time. We also utilise our numerous social media and online presence to keep our customers informed on our latest products and promotions, occasionally providing them a sneak peek at what goes on behind-the-scenes at Bonia. Social media marketing provides us with the perfect platform for product launches, brand events and collaborations making it easy to keep our customers updated at all times.


Improving the customer experience has become one of our most important strategic priority areas. Honest and accurate customer feedback is crucial in allowing us to evaluate the quality of our products and services as well as to stay ahead of the game. To capture genuine feedback, we have designated several different mechanisms for customers to communicate with us. The two main feedback platforms are online and offline. For customers who prefer the offline route, they can submit any complaint/feedback to our boutiques where each complaint will be directed to our operations team for follow up and/or further action.


As for the online options, we have an extensive range of digital and social media platforms available for us to engage with our customers. Should there be any issues a customer has encountered, they can submit their feedback to one of our dedicated email address: [ecustomercare@bonia.com](mailto:ecustomercare@bonia.com) or [ecustomerservice@sembonia.com](mailto:ecustomerservice@sembonia.com) or [ecustomercare@braunbuffel.com](mailto:ecustomercare@braunbuffel.com) where their feedback will be directed to the operations team who will then route the feedback to the respective personnel.


The list of online feedback platforms is identified in the diagram below:


- 


 BONIA  
(Corporate) : <https://boniacorp.com/>
- 

 BONIA  
(Corporate) : [www.linkedin.com/company/bonia-corporation-berhad](http://www.linkedin.com/company/bonia-corporation-berhad)
- 

 BONIA : [www.facebook.com/BoniaFashion](http://www.facebook.com/BoniaFashion)  
 Braun Buffel : [www.facebook.com/BraunBuffel](http://www.facebook.com/BraunBuffel)  
 Sembonia : [www.facebook.com/sembonia](http://www.facebook.com/sembonia)
- 

 BONIA : [www.instagram.com/bonia\\_\\_official](http://www.instagram.com/bonia__official)  
 Braun Buffel : [www.instagram.com/braunbuffel](http://www.instagram.com/braunbuffel)  
 Sembonia : [www.instagram.com/sembonia\\_official](http://www.instagram.com/sembonia_official)
- 

 BONIA : <https://www.youtube.com/c/BONIAOfficial>  
 Braun Buffel : [www.youtube.com/c/BraunBuffelOfficial](https://www.youtube.com/c/BraunBuffelOfficial)
- 

 BONIA : <https://www.tiktok.com/@boniaofficial>  
 Braun Buffel : [www.tiktok.com/@braunbuffel](https://www.tiktok.com/@braunbuffel)
- 

 BONIA  
Xiaohongshu ID : 2745997489

E-COMMERCE PLATFORM	CUSTOMER CARELINE	EMAIL
Bonia : <a href="http://www.bonia.com">www.bonia.com</a> Braun Buffel : <a href="http://www.braunbuffel.com">www.braunbuffel.com</a> Sembonia : <a href="http://www.sembonia.com">www.sembonia.com</a>	+603-9108 9000	<a href="mailto:ecustomercare@bonia.com">ecustomercare@bonia.com</a> <a href="mailto:ecustomercare@braunbuffel.com">ecustomercare@braunbuffel.com</a> <a href="mailto:ecustomerservice@sembonia.com">ecustomerservice@sembonia.com</a>

Diagram 6 : Bonia's available online and offline customer engagement platforms

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# Sustainability Statement

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## EMPLOYEE MANAGEMENT

Bonia Group recognises that our employees are our most valuable asset and greatest resource whose talent and skills must be nurtured. We strive to create a positive work environment where all our staff are able to perform their very best while working as a cohesive unit to achieve our business goals. Our mission continues to be building, recognising and rewarding our people and we remain committed to the principle of equal opportunity.

### **Training and Development**

Training and development are essential human resource tools that help companies retain talent, increase job satisfaction and improve productivity. We want all our employees to become the best versions of themselves; understanding that actively engaged and dedicated employees are more productive and happier in the workplace. Employee training and development is also extremely important in succession planning as it allows us to identify high-performing individuals and help them develop the knowledge and skills required to advance their careers. With that in mind, our employee training and development programmes provide employees the opportunity to overcome performance gaps and gain soft skills which results in a more innovative and agile team.

For the year in review, as we eased out of various restrictions, Bonia Group was able to organise in-person training for our staff which included:

#### **1. Bonia Leadership Competencies (BLC) Briefing**

A series of BLC trainings were conducted in March 2022 to all office employees of Bonia Group, involving a total of 155 employees via offline and online channels. The objective was to align leadership qualities and build leadership capabilities in the organization.



#### **2. Bonia Performance Management Workshop**

In May 2022, 4 workshop sessions were conducted with the aim of rolling out the new Bonia performance management system to all Assistant Managers and above in Phase 1 of roll out plan. Here, the attendees were informed and educated on how to compose Key Performance Indicators (KPI) for their staff. The rest of the organization are expected to onboard the full performance management system in Phase 2 of the roll out plan.



EMPLOYEE MANAGEMENT (Continued)

3. Bonia Corporation Management Retreat

In June 2022, we organized a management retreat for all key leaders and managers in the organization to engage with each other and discuss business directions for the next financial year. A total of 43 leaders and managers participated in this retreat held at Enderong Resort, Janda Baik.



EMPLOYEE ENGAGEMENT

Employee engagement is a concept that helps us better understand our organisational relationship with our employees. Engaged employees are enthusiastic and dedicated, they care about their work and about the performance of the company. We want all our employees to know that their efforts make a difference and that we value them as individuals. In FY2022, as we entered the endemic phase of COVID-19, we wanted to create a memorable and fulfilling employee experience in Bonia to celebrate working together again and to forge strong team bonds. In conjunction with World Health Day, we launched a Health & Wellness Campaign that ran during the month of April. Some of the events and topics organised were:

- **Walk & Run Competition:** Staff were encouraged to create teams within the organisation with the goal of accumulating as many kilometres in walking/running distance, which was measured using an app. Winners were handsomely rewarded.
- **Biggest Loser Challenge:** Staff participated in a weight loss competition as a motivator to shed some extra kgs.



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# Sustainability Statement

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## EMPLOYEE ENGAGEMENT (Continued)

- A series of Health and Wellness Talks covering topics such as Intermittent Fasting, Age Related Eye Disease and Breast Cancer.

Being a multicultural nation, we embrace our different cultures and celebrate the diversity that we have in the organisation. During the various festive seasons, we organised special staff events as an opportunity to celebrate our employees and their accomplishments outside of work. These included:

1. During Hari Raya, we distributed customised Raya cookies gift boxes to all Muslim colleagues in the organisation.
2. During the Chinese New Year celebrations, festive lunches were organised for all employees, as a way to celebrate this auspicious holiday together.
3. At Christmas, a corporate gift exchange party was organised for all employees encouraging them to be on both the giving and receiving end of this festive holiday.



## OCCUPATIONAL SAFETY AND HEALTH

A safe and healthy working condition is one of the most basic human rights and one which Bonia Group strives to provide for all our employees, contractors, visitors and all whom we have encounters with through our operations.

### **Occupational Safety and Health (“OSH”) Policy**

Our OSH Policy realises our commitment towards contributing to a conducive and safe environment. This is consistent with the requirements of the Occupational Safety and Health Act 1994.

Our commitments highlighted within the OSH Policy are as follows:

- Comply with all laws and regulations related to OSH enforced by the government;
- Provide a safe and healthy working environment;
- Identify and assess all possible hazards in the workplace;
- Investigate all incidents and dangerous occurrences, and take necessary action;
- Provide welfare facilities for all employees;
- Integrate occupational health and safety programmes and activities;
- Ensure that all employees are given adequate training and information to carry out their duties in a safe manner; and
- Review OSH policies when needed.

## OCCUPATIONAL SAFETY AND HEALTH (Continued)

### COVID-19 and Employee Wellbeing

During the COVID-19 pandemic, the health and safety of our employees remained our top priority. To ensure all our employees were kept abreast on recent developments, we set up policies and procedures to respond to and communicate about the impacts that COVID-19 would have on our employees and our business as a whole.

As the restrictions put in place began to ease and the country moved from pandemic to endemic phase, we started returning to the office on a more regular basis. To ensure our employees remain protected, we continue to undertake various workplace safety guidelines to prevent the spread of COVID-19 and reduce its impact on our employees. This includes regular sanitisation, weekly office disinfection, providing hand sanitizers at high traffic areas and installing humidifiers for better air circulation, while we encourage continued compliance to MOH’s latest recommendations.

As a responsible organisation, we continue to implement measures to prevent and manage COVID-19 at the workplace as part of our OSH policy. Our COVID-19 Management Guideline highlights steps to take for staff who tested positive or are close contacts of COVID-19 patients. These guidelines are as follows:

POSITIVE CASES	CLOSE CONTACT CASES
<ul style="list-style-type: none"> <li>Employees are required to monitor Covid-19 symptoms based on the categories identified by KKM.</li> <li>Employees must perform the test and release protocol as outlined by KKM.</li> <li>Employees must report results in MySejahtera and email a copy of digital HSO certificate to the HR department.</li> <li>Employees must undergo self-isolation for seven (7) days from the date of the positive test.</li> <li>Employees are required to submit a copy of the Release Order (RO) upon completion of isolation.</li> <li>Line Managers are to notify HR and Admin departments for positive cases involving their direct reports.</li> <li>Admin or respective boutiques are to carry out disinfection process.</li> </ul>	<ul style="list-style-type: none"> <li>Employees must follow the procedure for close contact cases and if symptomatic, are encouraged to isolate and perform a COVID-19 RTK (Ag) self-test on the first- and third-day symptoms developed.</li> <li>If test result is positive, employees are to follow COVID-19 case management protocol.</li> <li>If symptoms have improved, no COVID-19 RTK (Ag) self-test is required, and staff can be released from quarantine.</li> <li>Asymptomatic close contacts are not required to quarantine, regardless of their vaccination status.</li> <li>Employees must monitor their symptoms and health status for 5 days from the day they were exposed to a COVID-19 positive case.</li> <li>Line manager to inform HR on close contact.</li> </ul>

Table 3: COVID-19 Management Guideline

### Safety and Health Committee (“SHC”)

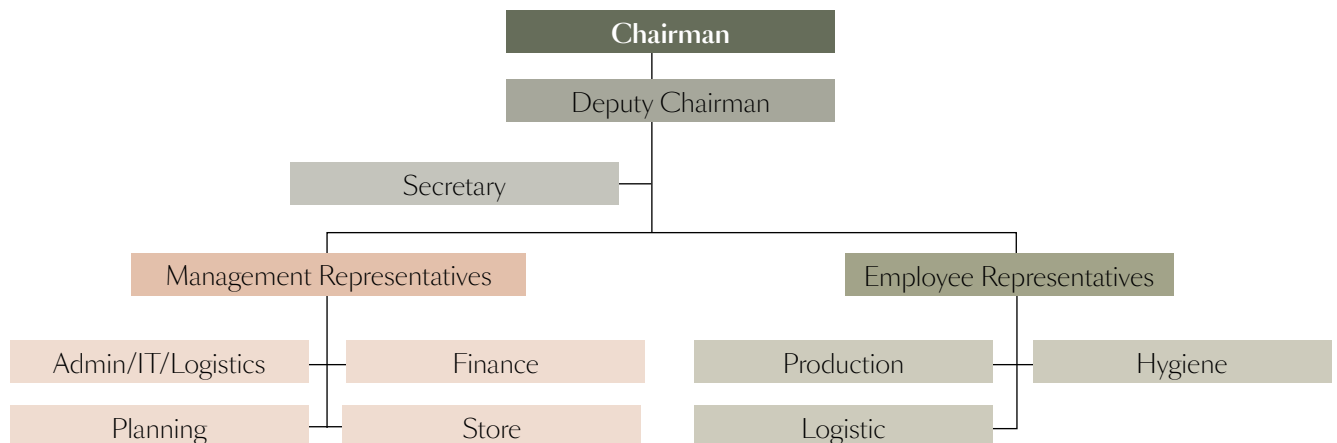


Diagram 7: Bonia’s Manufacturing Plant Safety and Health Committee

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# Sustainability Statement

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## OCCUPATIONAL SAFETY AND HEALTH (Continued)

### **Safety and Health Committee (“SHC”) (Continued)**

Diagram 7 depicts our Plant SHC organisational which is spearheaded by the SHC Chairman, while being assisted by a deputy chairman and secretary. The committee acts as a facilitating platform for discussion between employer and employee representatives to discuss arising OSH issues.

Our SHC roles and responsibilities are summarised below:

- Carry out inspections of workplaces and equipment at least once every 3 months or as scheduled;
- Advise management on safety and health matters;
- Review workplace safety and health policies at least once every five years;
- Investigate any incidents in the workplace and perform incident trend data analysis;
- Report and review any changes in work activities that may be detrimental to the safety and health of employees;
- Assess the needs of first aid, health services, fire prevention and accidents;
- Assist in monitoring hazards and risks in the workplace as well as the effectiveness of corrective and preventive actions that can be taken; and
- Coordinate and engage in trainings and programmes related to OSH.

## OSH TRAININGS AND PERFORMANCE

As we work to raise awareness and increase employee knowledge on the topic, we continuously conduct OSH trainings, briefings, and refreshers to remind employees of workplace health and safety procedures and requirements. Due to the COVID-19 pandemic, during FY2022, we had to conduct these virtually via emails and company newsletters as we updated our people on the latest Standard Operating Procedures.

To ensure workplace safety, over the years we have ensured that our staff participated in several safety and health trainings such as fire drill and safe use of fire extinguisher.

Our efforts of regularly promoting health and safety awareness have had a positive impact and resulted in zero fatality and zero accident at our manufacturing plant for the FY2022.

## EMPLOYEE DIVERSITY

Bonia Group is committed to ensuring equal representation of employees and cultivating a workplace culture that is respectful towards gender diversity and inclusion. Our goal is to enable all our employees to achieve their full potential. As we continue to grow as an organisation, we understand the importance of the contributions and perspectives of different groups of people; ensuring that our workplace is one that makes everyone feel equally included and supported. For the financial year ended 30 June 2022, Bonia Group comprised a total of 751 employees, consisting of 545 female staff (73%) and 206 male staff (27%). Senior positions comprised of 145 women; indicating that the Group is an equal opportunity employer providing opportunities for women.

In addition to our employee development initiatives, we also run an internship programme for undergraduates who are looking for exposure to the working world. Our programme duration typically runs between 2 to 6 months. For FY2022, we had a total of 4 interns working with us and we absorbed 3 as permanent members of staff.

**EMPLOYEE DIVERSITY (Continued)**

The four diagrams below reflect the current local employees of Bonia Group only and exclude foreign subsidiaries employees at Bonia Group.

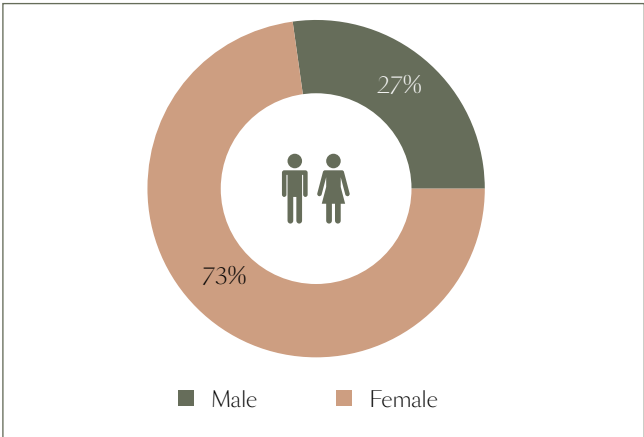


Diagram 8: Bonia's Total Number of Employees by Gender FY2022

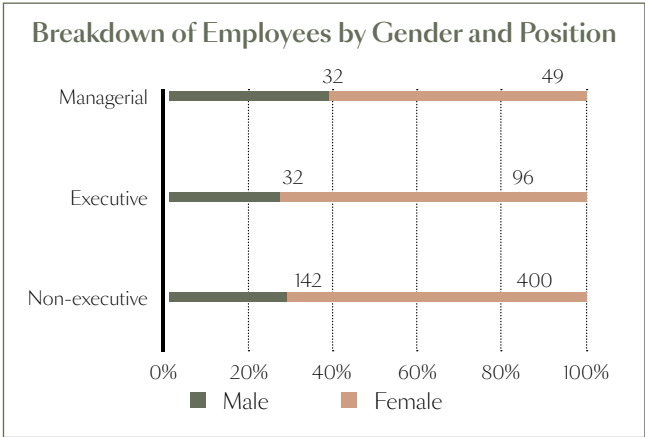


Diagram 9: Bonia's Breakdown of Employees by Position

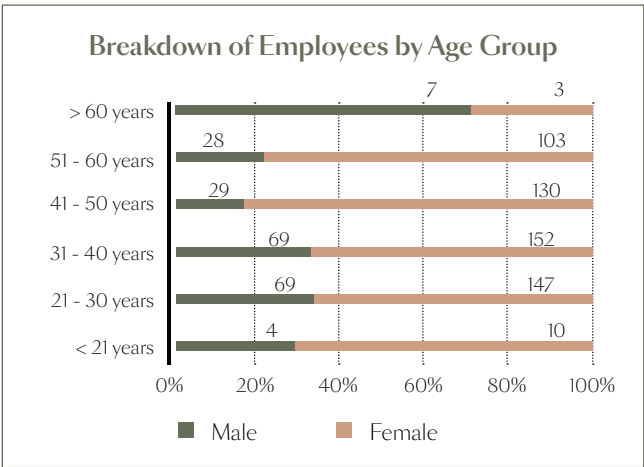


Diagram 10: Bonia's Breakdown of Employees by Age Group

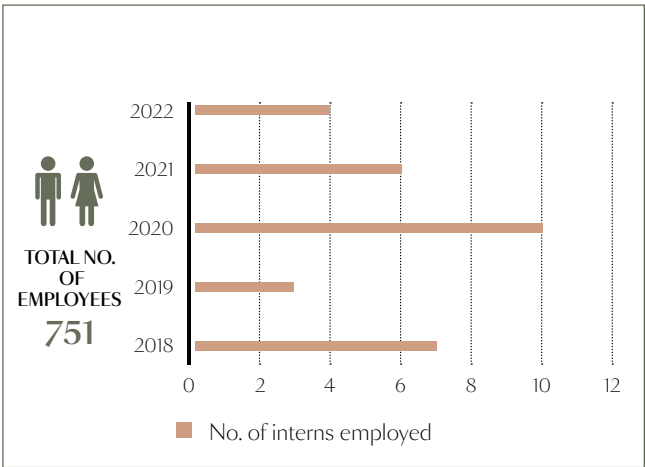


Diagram 11: Number of Interns employed by Bonia Group over the past 5 years

**PRODUCT LABELLING**

The importance of product labelling is two-fold; first it plays a vital role in increasing brand visibility and brand loyalty and second, it provides crucial information and instructions to consumers about the product. In recent years, consumers have become more socially and environmentally conscious, highlighting expectations on responsible and sustainable materials in retail products. As a global retail brand, we are extremely cognizant of our customers' expectations and continuously strive to uphold our products through the careful selecting and sourcing of sustainable materials throughout our value chain.

To ensure that our products present accurate information to our customers, we provide proper product labelling as shown below using our Croissant Bag collection as an example. The highlight of the BONIA Raya 2022 collection, the Croissant Bag takes the form of the French pastry it was named after. Crafted from smooth buttery leather, it comes in various trending colourways, making it a must-have bag for the season.

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## Sustainability Statement

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### PRODUCT LABELLING (Continued)



#### **Croissant Crossbody Bag**

2 Pockets  
1 Zip Pocket  
1 Card Slot  
Leather Type: Calf Leather  
Logo Type: Metal Logo  
Accessories Type: Gold  
Lining Type: Logo  
Strap: Detachable, Non-Adjustable Shoulder Strap (47 cm)  
Bonia-860378-002  
  
Measurement  
25cm (L) × 19cm (H) × 10.5cm (W)



#### **Croissant Long Two Fold Wallet**

1 Zip Pocket  
5 Notes Compartments  
15 Card Sleeves  
1 Window Slot  
Leather Type: Patched Lambskin Leather  
Material Type: Soft  
Logo: Metal Logo  
Accessories Type: Old Gold  
Lining Type: Logo  
Bonia-860378-502  
  
Measurement  
18.2cm (L) × 9.2cm (H) × 2cm (W)

One of the most important aspects of labelling with regards to retail is the description of the materials the item is made from. When purchasing a garment, we want to ensure our customers have access to correct product description and information; so that they can decide on the correct purchase for themselves which will then induce product satisfaction. In order to do this, we have designed a seamless shopping experience; providing proactive advice and solutions at the point of purchase and proper care instructions for all our leather products after purchase. These instructions are essential in educating our customers on the basics of leather care, ensuring their items maintain their quality and look and are well cared for in the years to come. For more information, kindly refer to our website at <https://www.bonia.com/pages/product-care>.

### SUPPLY CHAIN

We continuously enhance our supply chain and procurement management; identifying issues and risks in order to achieve consistency and sustainability in our product supply and quality. In doing so we ensure the supply process is streamlined and responsive to the market.

We also work closely with our suppliers to validate that our supply chains are well managed and in compliance with all relevant laws and regulations. The main criteria to select our suppliers is workmanship quality and cost. We expect suppliers and vendors to adopt best practices in quality control, labour management, worker safety and environmental management.

## COMMUNITY INVESTMENT

Bonia Group views community investment as positively impacting the communities in which we operate and making a commitment to provide practical support to local communities in need. Throughout the years, we have supported a wide range of community initiatives, trying to make an impact in areas that align with our values. As a responsible business owner, we have always sought to positively engage with society, and we were able to do that in FY2022 in a meaningful manner. Here are some of the community initiatives we undertook over the past year.

### Vaccination Drive

Continuing from FY2021, we undertook a vaccination drive to protect our employees against COVID-19, by offering a workplace vaccination programme to make it as convenient as possible for our staff. Through this effort, Bonia Corporation has vaccinated a total of 600 employees, as well as their families and friends.



### B-Pink Campaign

In October 2021 in conjunction with Pink October, Bonia partnered with the Breast Cancer Welfare Association Malaysia (BCWA) for 'B-Pink', a community-driven campaign that pledged funds in support of breast cancer awareness. Throughout the month-long campaign, each item purchased from the special B-Pink capsule collection contributed 10% of its price to the BCWA. We proudly raised a total of RM20,000 via the B-Pink initiative for this meaningful cause.



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# Sustainability Statement

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## COMMUNITY INVESTMENT (Continued)

### Flood Donation Drive

In light of the recent floods in Malaysia, Bonia Corporation joined forces with Badan Amal Kasih Sayang (Bakasa) to donate food, necessities and clothing in aid of Pahang's flood relief. Over 3,000 shirts, polos and pants from BONIA, Valentino Rudy and Santa Barbara Polo and Racquet Club (SBPRC) were donated at a value of RM153,000.



### Piala Seri Endon Sponsorship Signing

In partnership with Yayasan Budi Penyayang Malaysia (Penyayang), BONIA is proud to be the Official Presenter for the Piala Seri Endon 2022, the 17<sup>th</sup> edition of Malaysia's most prestigious batik design competition. Dato' Sri Chiang Fong Seng, Group Executive Director, signed the sponsorship agreement with Dato' Leela Mohd Ali, Penyayang's Chief Executive Officer, during an intimate ceremony, witnessed by Yang Berhormat Dato' Sri Hajah Nancy Shukri, Minister of Tourism, Arts and Culture Malaysia.





## ENERGY

Responsible organisations recognise that reducing carbon emissions benefits their bottom line simply because efficient practices correlate to a decrease in operating costs. At the same time, employees are becoming more socially conscious, wanting to do their part to fight climate change and help preserve the natural environment. As part of our sustainability initiatives, Bonia Group continues to work at reducing our carbon footprint and minimising harm to the environment through efficient management of our energy consumption. As we moved into the endemic phase of COVID-19 this financial year, and as more staff returned to the workplace, we continued to drive our in-house “Go-Green” initiatives such as adjusting air-conditioning temperature, using LED lights and mindful usage of lightings to save electricity.

Below is the electricity consumption for Bonia Group offices and warehouses for FY2022.

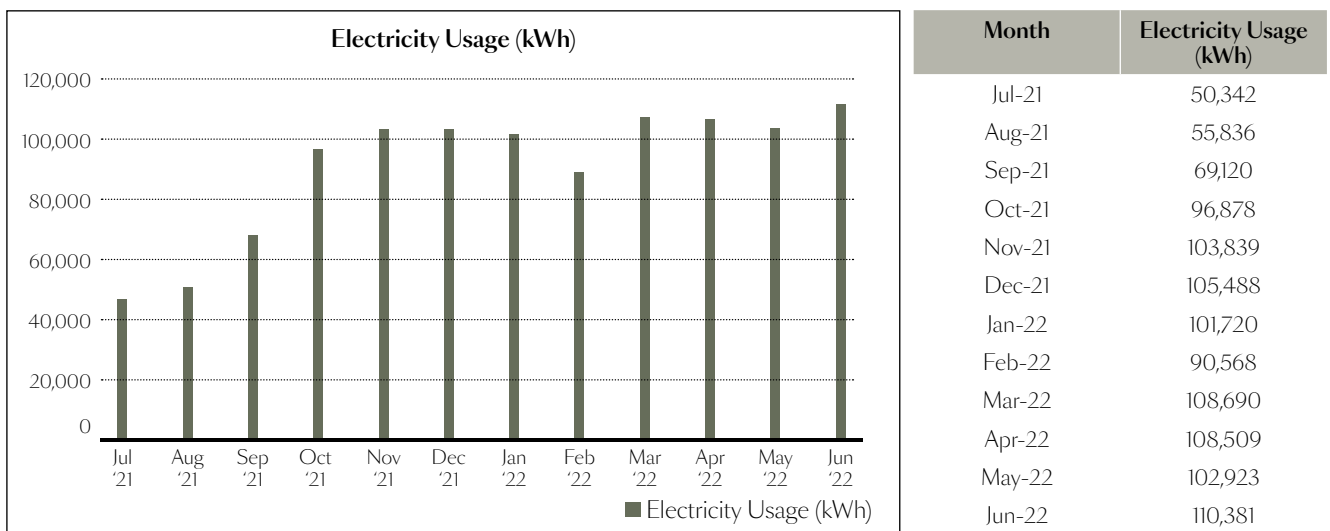


Diagram 12 : Bonia’s Electricity Consumption by kWh for FY2022

For the purpose of this calculation, we calculated our carbon emission using the following website calculator <https://greentechmalaysia.my/carboncalculator/>.

The following graph depicts the CO2 emission based on our scope of the study as shown below.

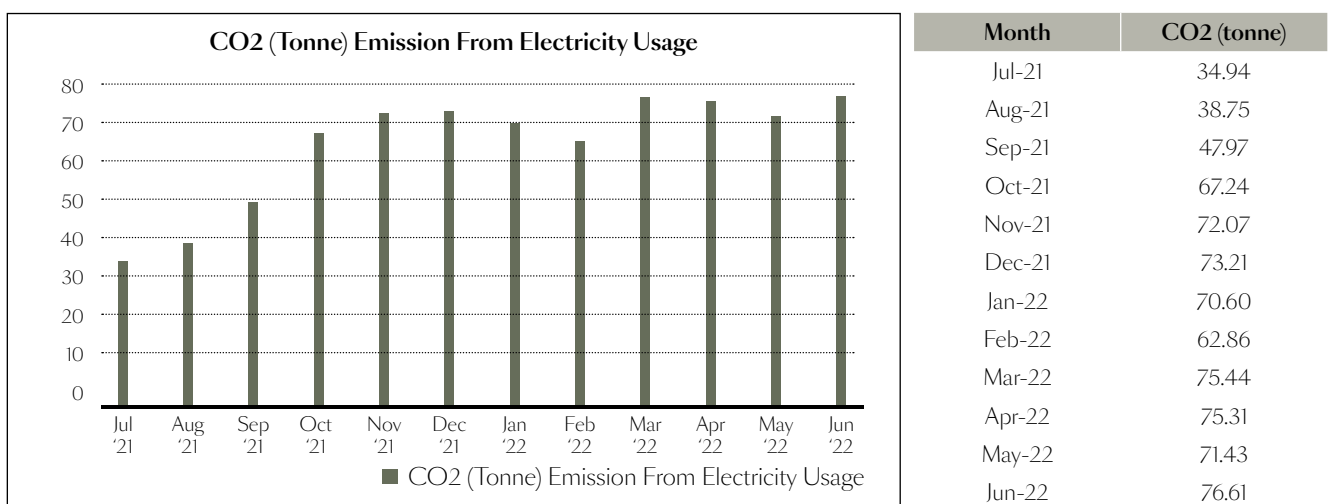


Diagram 13 : Bonia’s CO2 (Tonne) Emission From Electricity Usage

# Sustainability Statement

## ENERGY (Continued)

During the FY2022, Bonia Group’s carbon emissions totaled approximately 766.44 CO<sub>2</sub>/Tonne. In order to absorb such CO<sub>2</sub> emissions, a total of 19,650 trees were to be replanted.

The next graph indicates the number of trees to be replanted each month based on the kWh used.

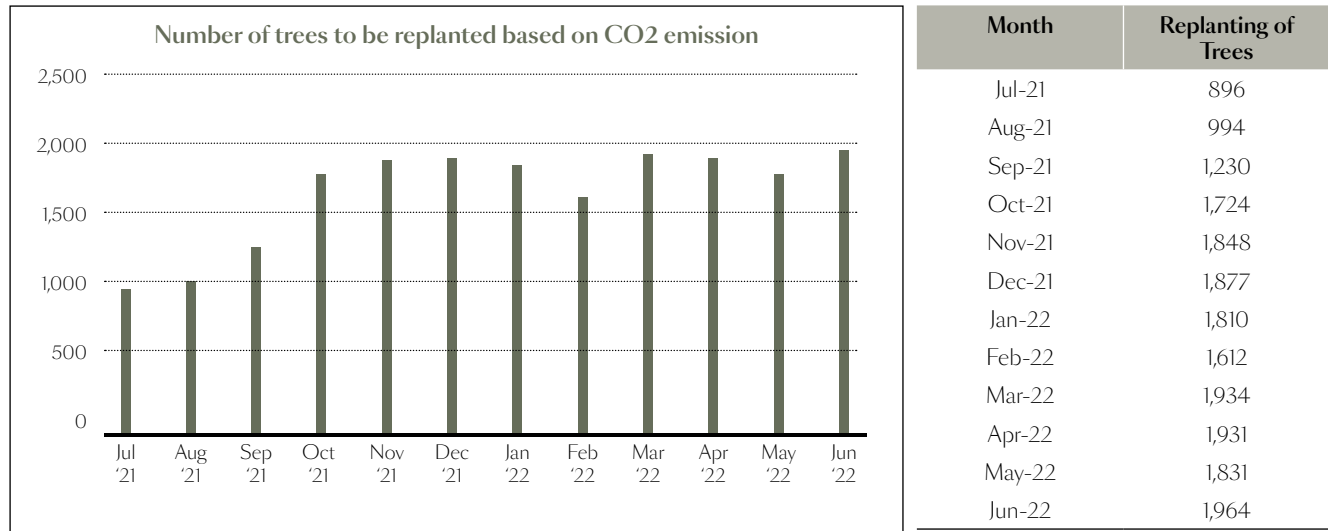


Diagram 14 : Bonia’s Number of Trees to be Replanted Based on CO<sub>2</sub> Emission

## Our Commitment

As a responsible corporate citizen, we are committed to making a difference in the way we work. We are committed to the principles of integrity, transparency, and good governance as we incorporate environmental, social and governance (“ESG”) factors into our business operations.

This Statement is made in accordance with a resolution of the Board of Directors of Bonia Corporation Berhad dated 13 October 2022.





**BONIA CORPORATION BERHAD**

Registration No. 199101013622 (223934-T)