



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2013		
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
	As At 31 Dec 2013 RM'000 (UNAUDITED)	As At 30 Jun 2013 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	106,342	84,352
Investment properties	64,605	47,132
Intangible assets	69,294	66,467
Investments in associates	658	2
Other investments	1,183	1,168
Deferred tax assets	1,889	1,630
Total non-current assets	243,971	200,751
CURRENT ASSETS		
Inventories	148,374	110,280
Trade and other receivables	117,126	105,384
Current tax assets	813	735
Cash and cash equivalents	64,830	75,846
Total current assets	331,143	292,245
TOTAL ASSETS	575,114	492,996
EQUITY AND LIABILITIES		
Share capital	100,786	100,786
Reserves	226,111	201,597
Treasury shares	(4)	-
Total equity attributable to the owners of the parent	326,893	302,383
Non-controlling Interest	13,418	13,120
Total equity	340,311	315,503
NON-CURRENT LIABILITIES		
Trade and other payables	4,619	5,533
Long term borrowings	74,086	51,564
Provision for restoration costs	469	222
Deferred tax liabilities	7,155	7,284
Total non-current liabilities	86,329	64,603
CURRENT LIABILITIES		
Trade and other payables	83,043	75,482
Bank borrowings	51,503	29,281
Current tax payables	13,928	8,127
Total current liabilities	148,474	112,890
Total liabilities	234,803	177,493
TOTAL EQUITY AND LIABILITIES	575,114	492,996
	-	-
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM)	1.62	1.50

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013)



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2013
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 Dec 2013 RM'000	Preceding Year Corresponding Quarter 31 Dec 2012 RM'000	Current Year- To-Date 31 Dec 2013 RM'000	Preceding Year Corresponding Period 31 Dec 2012 RM'000
Revenue	186,327	166,895	354,726	323,608
Cost of sales	(71,125)	(67,953)	(138,533)	(131,212)
Gross profit	115,202	98,942	216,193	192,396
Selling and distribution expenses	(50,036)	(49,392)	(99,516)	(91,542)
General and administration expenses	(32,913)	(34,269)	(63,035)	(61,184)
Other operating income	1,586	1,066	3,034	2,579
Profit from operations	33,839	16,347	56,676	42,249
Finance costs	(2,038)	(1,727)	(3,830)	(3,330)
Share of results of associates	-	-	(1)	-
Profit before tax	31,801	14,620	52,845	38,919
Taxation	(10,085)	(5,206)	(16,385)	(12,892)
Profit for the period	21,716	9,414	36,460	26,027
Other comprehensive income				
Foreign currency exchange differences arising from consolidation	(346)	39	1,679	22
Total comprehensive income for the period	21,370	9,453	38,139	26,049
Profit attributable to :				
Owners of the parent	19,002	7,533	33,223	23,045
Non-controlling Interests	2,714	1,881	3,237	2,982
	21,716	9,414	36,460	26,027
Total comprehensive income attributable to :				
Owners of the parent	18,676	7,589	34,593	23,064
Non-controlling Interests	2,694	1,864	3,546	2,985
	21,370	9,453	38,139	26,049
Net earnings per share attributable to owners of the parent (Note B14)				
- Basic (sen)	9.43	3.74	16.48	11.43

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013)



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2013

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	----- Attributable to owners of the parent -----							Non-controlling interests RM'000	Total Equity RM'000
	----- Non-Distributable -----				----- Distributable -----				
	Share Capital RM'000	Share Premium RM'000	Available-for-sale Reserve RM'000	Exchange Translation Reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Sub-total RM'000		
At 1 July 2013	100,786	476	(12)	(161)	-	201,294	302,383	13,120	315,503
Profit for the period	-	-	-	-	-	33,223	33,223	3,237	36,460
Foreign currency translations	-	-	-	1,370	-	-	1,370	309	1,679
Total comprehensive income for the period	-	-	-	1,370	-	33,223	34,593	3,546	38,139
Transaction with owners:									
Buy-back of shares	-	-	-	-	(4)	-	(4)	-	(4)
Dividend paid	-	-	-	-	-	(10,079)	(10,079)	-	(10,079)
Dividend paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(3,248)	(3,248)
Total transactions with owners	-	-	-	-	(4)	(10,079)	(10,083)	(3,248)	(13,331)
At 31 December 2013	100,786	476	(12)	1,209	(4)	224,438	326,893	13,418	340,311
At 1 July 2012	100,786	476	-	127	-	168,009	269,398	14,861	284,259
Profit for the period	-	-	-	-	-	23,045	23,045	2,982	26,027
Foreign currency translations	-	-	-	19	-	-	19	3	22
Total comprehensive income for the period	-	-	-	19	-	23,045	23,064	2,985	26,049
Transaction with owners:									
Dividend paid	-	-	-	-	-	(8,063)	(8,063)	-	(8,063)
Dividend paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(2,988)	(2,988)
Total transactions with owners	-	-	-	-	-	(8,063)	(8,063)	(2,988)	(11,051)
At 31 December 2012	100,786	476	-	146	-	182,991	284,399	14,858	299,257

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013)



BONIA CORPORATION BERHAD (223934-T)

[Incorporated in Malaysia]

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2013

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	31 Dec 2013 RM'000	31 Dec 2012 RM'000
Cash flows from operating activities		
Profit before tax	52,845	38,919
Adjustments for non-cash flow:		
Amortisation of trademarks	654	650
Depreciation of property, plant and equipment	9,769	8,468
Gain on disposal of property, plant and equipment	(277)	(91)
Accretion of non-current other payable	416	521
Interest expense	1,691	1,515
Interest income	(312)	(272)
Profit received from short term funds	-	(91)
Properties, plant and equipment written off	45	7
Share of loss of associates	1	-
Unrealised loss on foreign currency translations, net	223	26
Operating profit before changes in working capital	65,055	49,652
Changes in working capital		
Net change in current assets	(48,162)	(47,346)
Net change in current liabilities	5,384	14,840
Cash generated from operations	22,277	17,146
Tax paid	(11,471)	(12,409)
Net cash from operating activities	10,806	4,737
Cash flows (used in)/from investing activities		
Interest received	312	272
Loan/Advances to associates	(2)	(2)
Acquisition of associates	(594)	-
Proceeds from disposal of property, plant and equipment	-	95
Decrease/(Increase) in fixed deposits pledged to licensed banks	462	843
Purchase of Trademarks	(3,252)	-
Purchase of property, plant and equipment	(20,040)	(19,520)
Purchase of investment properties	(2,591)	(2,522)
Profit received from short term funds	-	91
Net cash used in investing activities	(25,705)	(20,743)
Cash flows (used in)/from financing activities		
Interest paid	(1,691)	(1,515)
Buy-back of shares by the Company	(4)	-
Net financing/(repayments) from bank borrowings	17,337	15,714
Dividend paid to owners of the parent	(10,079)	(8,063)
Dividend paid to non-controlling interests	(3,248)	(2,988)
Net cash from financing activities	2,315	3,148
Net decrease in cash and cash equivalents	(12,584)	(12,858)
Cash and cash equivalents at beginning of the financial year	71,613	67,277
Effect of exchange rate changes on cash and cash equivalents	759	(51)
Cash and cash equivalents at end of the financial year (Note A16)	59,788	54,368

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013)

**BONIA CORPORATION BERHAD** (223934-T)

[Incorporated in Malaysia]

NOTES TO INTERIM FINANCIAL REPORT**31 DECEMBER 2013***(Unaudited)***A1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of the Malaysian Financial Reporting Standards (“MFRS”) MFRS 134: “Interim Financial Reporting” and Chapter 9 Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. This Interim Financial Statements also complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standard Board (“IASB”).

The interim financial statements should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 30 June 2013.

The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2013.

A2. Accounting policies

The significant accounting policies adopted by the Group in this Report are consistent with those adopted in the Audited Financial Statements of the Group for the financial year ended 30 June 2013 except for the adoption of the following new/revised MFRSs, Amendments to MFRSs and Issues Committee Interpretations (“IC Interpretations”) that are effective for financial periods beginning on or after 1 January 2013 :

(a) Adoption of New/Revised MFRSs, Amendments to MFRSs and IC Interpretations**(i) Effective for financial periods beginning on or after 1 January 2013**

MFRS 10	Consolidated Financial Statements	1 January 2013
MFRS 11	Joint Arrangements	1 January 2013
MFRS 12	Disclosure of Interests in Other Entities	1 January 2013
MFRS 13	Fair Value Measurement	1 January 2013
MFRS 119	Employee Benefits (revised)	1 January 2013
MFRS 127	Separate Financial Statements	1 January 2013
MFRS 128	Investments in Associates and Joint Ventures	1 January 2013
Amendments to MFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRSs	Annual Improvements 2009 - 2011 Cycle	1 January 2013
Amendments to MFRS 10, MFRS 11 and MFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities : Transition Guidance	1 January 2013
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface mine	1 January 2013

The adoption of the above standards and amendments to MFRSs and IC Interpretation are not expected to have any significant financial impact on the financial statements of the Group.



BONIA CORPORATION BERHAD (223934-T)

[Incorporated in Malaysia]

NOTES TO INTERIM FINANCIAL REPORT

31 DECEMBER 2013

(Unaudited)

A2. Accounting policies (continued)

(b) MFRSs, Amendments to MFRSs and IC Interpretation issued but not yet effective

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

(i) Amendments effective for financial periods beginning on or after 1 January 2014

Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 136	Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21	Levies	1 January 2014

(i) MFRS and Amendments effective for financial periods beginning on or after 1 January 2015

Mandatory Effective Date of MFRS 9 and Transition Disclosures		1 January 2015
MFRS 9	Financial Instruments	1 January 2015

A3. Declaration of audit qualification

There was no qualified report issued by the auditors in the financial statements of the Group for the financial year ended 30 June 2013.

A4. Seasonality or Cyclicity of Interim Operations

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

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual events affecting assets, liabilities, equity, net income or cash flow of the Group in the quarterly financial statements under review.

A6. Material Changes in Estimates

There were no material changes in estimates in the quarterly financial statements under review.

**BONIA CORPORATION BERHAD** (223934-T)

[Incorporated in Malaysia]

NOTES TO INTERIM FINANCIAL REPORT**31 DECEMBER 2013***(Unaudited)***A7. Debts and Equity Securities**

During the six months ended 31 December 2013, the Company had repurchased 1,000 ordinary shares of 50 sen each of its issued share capital from the open market for a consideration of approximately RM3,150. The repurchased transaction were financed by internally generated funds. The repurchased shares are held as treasury shares.

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

A8. Dividend Paid

A final single tier dividend of 10% or 5.0 sen per ordinary share of 50.0 sen each amounting to RM10,078,593 in respect of the financial year ended 30 June 2013 was paid on 6 December 2013.

A9. Segment Information

Business segments

6 months ended 31 December 2013

	Retailing RM'000	Manufac- turing RM'000	Investment and property development RM'000	Elimination RM'000	Consolidation RM'000
Revenue					
Revenue from external customers	354,204	283	239	-	354,726
Inter-segment revenue	-	12,854	21,865	(34,719)	-
Total revenue	354,204	13,137	22,104	(34,719)	354,726
Results					
Segment operating profit	59,290	714	5,558	(9,198)	56,364
Share of losses of associates	-	-	(1)	-	(1)
Interest income					312
Finance costs					(3,830)
Profit before tax					52,845
Tax expense					(16,385)
Profit for the financial period					36,460
Attributable to:					
Owners of the parent					33,223
Non-controlling interests					3,237
					36,460



BONIA CORPORATION BERHAD (223934-T)
 [Incorporated in Malaysia]
NOTES TO INTERIM FINANCIAL REPORT
31 DECEMBER 2013
(Unaudited)

A9. Segment Information (continued)

Business segments (continued)

6 months ended 31 December 2012

	Retailing RM'000	Manufac- turing RM'000	Investment and property development RM'000	Elimination RM'000	Consolidation RM'000
Revenue					
Revenue from external customers	322,739	471	398	-	323,608
Inter-segment revenue	-	16,672	18,358	(35,030)	-
Total revenue	322,739	17,143	18,756	(35,030)	323,608
Results					
Segment operating profit	47,145	1,473	1,148	(7,789)	41,977
Share of losses of associates	-	-	-	-	-
Interest income					272
Finance costs					(3,330)
Profit before tax					38,919
Tax expense					(12,892)
Profit for the financial period					26,027
Attributable to:					
Owners of the parent					23,045
Non-controlling interests					2,982
					26,027

A10. Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment if any, have been brought forward without amendment from the previous annual financial statements.



BONIA CORPORATION BERHAD (223934-T)

[Incorporated in Malaysia]

NOTES TO INTERIM FINANCIAL REPORT

31 DECEMBER 2013

(Unaudited)

A11. Material Events Subsequent to the End of the Interim Period

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

- (a) Dominion Directions Sdn Bhd (“DDSB”), a wholly-owned subsidiary company of Bonia, had on 15 January 2014, further acquired 75,000 ordinary shares of RM1.00 each representing 15% equity interest in New Series Sdn Bhd (a subsidiary of DDSB which in turn is an indirect subsidiary of Bonia) (“NSSB”) from Mr Boonnam Boonnamsap at a total consideration of Ringgit Malaysia Three Hundred Thirty Three Thousand Six Hundred and Eighty (RM333,680.00) only (“Acquisition”).

The Acquisition has resulted an increase of DDSB’s stake-holding in NSSB from 75% to 90% (equivalent to 450,000 shares) in the issued and paid-up share capital of NSSB.

A12. Changes in the Composition of the Group

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

- (a) Bonia Corporation Berhad had on 23 October 2013, acquired a shelf company named Maha Asia Capital Sdn. Bhd. (“MAC”), comprising two (2) ordinary shares of RM1.00 each, representing 100% of the total issued and paid up share capital of MAC at a total cash consideration of Ringgit Malaysia Two (RM2.00) only (the “Acquisition”).

MAC was incorporated on 7 October 2013 as a private company limited by shares in Malaysia under the Company Act, 1965. MAC is currently dormant and has an authorised share capital of RM400,000.00 comprising 400,000 ordinary shares of RM1.00 each and paid up share capital of RM2.00 divided into two (2) ordinary shares of RM1.00 each.

With the Acquisition, MAC has become a 100% owned subsidiary of Bonia on 23 October 2013. The intended business activity of MAC is property investment.

- (b) Maha Asia Capital Sdn. Bhd., a wholly owned subsidiary of Bonia Corporation Berhad had on 29 October 2013 entered into an agreement with Megah Mahajaya Sdn. Bhd. for the purpose of acquiring a freehold property together with a single-storey detached bungalow house erected thereon for a total consideration of RM19,989,200.00.



BONIA CORPORATION BERHAD (223934-T)

[Incorporated in Malaysia]

NOTES TO INTERIM FINANCIAL REPORT

31 DECEMBER 2013

(Unaudited)

A13. Changes in Contingent Liabilities

The contingent liabilities of the Company as at 31 December 2013 comprised of corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries amounted to RM252.49 million of which utilised by these subsidiaries amounted to RM113.10 million.

A14. Capital Commitments

The amount of capital commitments as at 31 December 2013 is as follows:

	RM'000
Authorised and contracted for:	
Property, plant and equipment:	
- properties under construction	10,178
- others	75
Investment properties under construction	17,829
Investment properties	17,990
	46,072

A15. Related Party Disclosures

The aggregate value of the recurrent related party transactions conducted between the Company's subsidiaries with the related parties during the current financial period under review are as follows:-

No.	Transacting parties	Nature of transactions	Interested parties and nature of relationship	31 Dec 2013 Amount transacted RM'000	31 Dec 2012 Amount transacted RM'000
1.	Cassardi International Co. Ltd.	<ul style="list-style-type: none"> • Purchase of men's apparels • Payment of <i>Valentino Rudy</i> trademark royalty 	Note 1	418	773
2.	Bonia International Holdings Pte Ltd	<ul style="list-style-type: none"> • Payment of <i>Bonia, Carlo Rino and Sembonia</i> trademarks royalties 	Note 2	60	67
3.	BIH Franchising Ltd.	<ul style="list-style-type: none"> • Payment of <i>Bonia,, Carlo Rino and Sembonia</i> trademarks royalties 	Note 3	1,307	982
4.	Long Bow Manufacturing (S) Pte. Ltd.	<ul style="list-style-type: none"> • Payment of office and warehouse rental 	Note 4	691	675
5.	Lianbee Marketing (M) Sdn Bhd	<ul style="list-style-type: none"> • Payment of office and warehouse rental 	Note 5	110	-



BONIA CORPORATION BERHAD (223934-T)
[Incorporated in Malaysia]
NOTES TO INTERIM FINANCIAL REPORT
31 DECEMBER 2013
(Unaudited)

A15. Related Party Disclosures (continued)

Notes:

No.	Related Parties	Relationship
1.	Cassardi International Co. Ltd.	A company in which a major shareholder of VR Directions Sdn. Bhd. and New Series Sdn. Bhd., subsidiaries of the Company, Boonnam Boonnamsap has substantial financial interests.
2.	Bonia International Holdings Pte Ltd	A company in which a Director of the Company has substantial financial interest.
3.	BIH Franchising Ltd.	A company in which a Director of the Company has substantial financial interest.
4.	Long Bow Manufacturing (S) Pte. Ltd.	A company in which a Director of the Company has substantial financial interests.
5.	Lianbee Marketing (M) Sdn Bhd	A company in which a Director of the Company has substantial financial interests.

Save as disclosed above, there were no recurrent related party transactions of revenue or trading nature during the current financial period under review.

A16. Cash and cash equivalents

	31 Dec 2013 RM'000	31 Dec 2012 RM'000
Cash and bank balances	55,727	43,023
Fixed deposits with licensed banks	3,103	5,356
Short term placements with licensed banks	6,000	5,700
Placements with licensed banks	-	3,857
Bank overdrafts	<u>(4,287)</u>	<u>(2,367)</u>
	60,543	55,569
Less: Fixed deposit pledged	<u>(755)</u>	<u>(1,201)</u>
	<u>59,788</u>	<u>54,368</u>



BONIA CORPORATION BERHAD (223934-T)

[Incorporated in Malaysia]

NOTES TO INTERIM FINANCIAL REPORT

31 DECEMBER 2013

(Unaudited)

ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS

B1. Review of Performance of the Company and its Subsidiaries

The Group's revenue for the 6 months financial period ended 31 December 2013 increased by RM31.1 million or 9.6% as compared to the preceding year corresponding period ended 31 December 2012.

The growth was driven by the better sales contributions from Jeco (Pte) Limited, Bonia brand, as well as other licensed brands, which contributed 24.4%, 17.5% and 22.2%, respectively of the total increase in revenue. Jeco (Pte) Limited had reported better sales derived from its export to Indonesia market as well as from its boutiques sales in Singapore and Malaysia. Bonia brand had also reported an increase in sales derived from its boutiques sales. The licensed brands continued to see revenue growth of 22.2% derived from its boutiques and consignment sales.

The Group reported a profit before tax of RM52.8 million for the first half of the year which is 35.8% higher than the profit before tax of RM38.9 million reported for preceding year corresponding period.

The commendable results were attributed to higher sales generated as well as improvement in gross profit margin as a result of better control of discount mode and higher price mark-up during the cumulative quarters under review. In addition, in the preceding financial period, the Group had incurred higher initial investment cost for renovation, advertising and promotion, rental and set up due to the Group's rapid expansion plan in Indonesia and Vietnam. As a result, the operating expenses for the quarters under review were better controlled at a moderate increase of 6.6% as compared to 9.6% increase in revenue.

B2. Comments on Material Changes in the Profit Before Taxation for the Quarter under Review as Compared with Immediate Preceding Quarter

For the current quarter under review, the Group posted a profit before tax of RM31.8 million as compared to RM21.0 million in the preceding quarter ended 30 September 2013.

Compared to the previous quarter, revenue for the current quarter under review increased by 10.6% amounting to RM17.9 million and in tandem, the profit before tax also increased by 51.1% amounting to RM10.7 million. The growth in revenues was the results of the Christmas season and early shopping for the 2014 Chinese New Year season. In addition, better contribution from Jeco (Pte) Limited amounting to RM12.9 million had also boosted the current quarter's sales. The net profit margin also improved from 8.8% in the preceding quarter to 11.7% in the current quarter under review. The improvement in net profit margin was mainly due to the improvement in gross profit margin and better control of operating expenses. There was also a reversal of impairment losses on loan to an associate amounting to RM1.7million that no longer required which had been provided for in the preceding quarter.



BONIA CORPORATION BERHAD (223934-T)

[Incorporated in Malaysia]

NOTES TO INTERIM FINANCIAL REPORT

31 DECEMBER 2013

(Unaudited)

B3. Current Year Prospect

Malaysia's GDP grew by 5.1% in the fourth quarter of 2013 which was higher than the expected growth rate of 4.8% as the economic fuelled by robust domestic demand and a rebound in Malaysian exports. Domestic demand is expected to remain strong driven by sustained growths in private investments activities. The improved economic prospects in Eurozone countries and the United States will help to spill over external demand to Malaysia.

On the growth outlook for this year, Malaysian economy is expected to grow at a stronger pace of between 5.2% to 5.4% in 2014, supported by the measures in Budget 2014, driven by higher exports and benefiting from stronger demand as key global economics recover.

Giving the improved economic outlook, the Group's prospects for the remaining year are expected to be positive. The Group will strive for continuous improvement to further increase operational efficiency whilst positioning its businesses and brands for opportunistic growth and recognition. The Group will continue to explore new business opportunities prudently, locally and overseas. For the current period under review, the Group added 13 boutiques in Malaysia and Singapore of various brands to make the total boutiques stand at 122 boutiques as at 31.12.13. In addition, 2 new boutiques in Indonesia were opened during the first half of the year. These bring the Group's regional retail boutique strength to 146 from 131 previously, an increase of approximately 11%. Amidst the Group's business expansion plans locally as well as abroad especially in the Middle East and South East Asia, the Group expects its business to continue to grow.

In addition, The Group will continue to invest for the future by adding new brands to its portfolio and increase its footprint primarily in luxury segment which has proven to be relatively resilient. During the current financial year under review, the Group expects to open boutiques in Malaysia and Singapore with the secured distribution rights for Bruno Magli, Italy pursuant to the Joint Venture Agreement between Active World Pte Ltd and Bruno Magli South East Asia Pte. Ltd..

Barring any unforeseen circumstances, given the abovementioned additional new brands to its portfolio and business ventures, the Board of Directors is of the view that the Group's performance for the remaining financial year will remain positive and will continue to grow, albeit at a slower pace, despite the challenges the Group has to face such as the rent and labour costs continue to increase which putting pressure on operating margins, new government policies and manpower shortage.

**BONIA CORPORATION BERHAD** (223934-T)

[Incorporated in Malaysia]

NOTES TO INTERIM FINANCIAL REPORT**31 DECEMBER 2013***(Unaudited)***B4. Variance of Actual Profit from Forecast Profit**

Not applicable.

B5. Taxation

	Current year to-date ended 31 Dec 2013 RM'000	Preceding year to-date ended 31 Dec 2012 RM'000
Current year tax expense	15,127	13,679
Under/(Over) provision in prior year	958	(587)
Deferred tax expense	300	(200)
	<u>16,385</u>	<u>12,892</u>

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

B6. Profit / (Loss) on Sale of Unquoted Investments and/or Properties

There were no sales of unquoted investments and/or properties for the financial period under review.

B7. Quoted Securities

There were no purchases or disposals of quoted securities for the financial period under review.

B8. Status of Corporate Proposals

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



BONIA CORPORATION BERHAD (223934-T)

[Incorporated in Malaysia]

NOTES TO INTERIM FINANCIAL REPORT

31 DECEMBER 2013

(Unaudited)

B9. Group Borrowings

The total Group borrowings and debts securities were as follows:

	31 Dec 2013		30 June 2013	
	Short Term Borrowing RM'000	Long Term Borrowing RM'000	Short Term Borrowing RM'000	Long Term Borrowing RM'000
<u>Secured</u>				
Bank overdrafts	-	-	1,207	-
Bankers' acceptances	500	-	711	-
Hire-purchase & lease	838	1,288	773	1,507
Term loans	6,996	69,399	6,515	45,833
	<u>8,334</u>	<u>70,687</u>	<u>9,206</u>	<u>47,340</u>
<u>Unsecured</u>				
Bank overdrafts	4,287	-	1,809	-
Bankers' acceptances	25,344	-	14,405	-
Trust Receipt	11,596	-	1,984	-
Term loans	1,942	3,399	1,877	4,224
	<u>43,169</u>	<u>3,399</u>	<u>20,075</u>	<u>4,224</u>
Total	<u>51,503</u>	<u>74,086</u>	<u>29,281</u>	<u>51,564</u>

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

	31 Dec 2013		30 June 2013	
	Foreign Currency '000	RM Equivalent '000	Foreign Currency '000	RM Equivalent '000
<u>Singapore Dollar</u>				
<u>Secured</u>				
Term Loan	565	1,462	577	1,445
Hire-purchase	407	1,053	394	987
	<u>972</u>	<u>2,515</u>	<u>971</u>	<u>2,432</u>
<u>Unsecured</u>				
Term Loan	2,063	5,341	2,438	6,101
Trust Receipt	4,478	11,595	793	1,985
	<u>6,541</u>	<u>16,936</u>	<u>3,231</u>	<u>8,086</u>
Total	<u>7,513</u>	<u>19,451</u>	<u>4,202</u>	<u>10,518</u>

**BONIA CORPORATION BERHAD** (223934-T)

[Incorporated in Malaysia]

NOTES TO INTERIM FINANCIAL REPORT**31 DECEMBER 2013***(Unaudited)***B10. Summary of Derivative Financial Instruments**

There are no derivative financial instruments as at the date of issue of this report.

B11. Realised and Unrealised Profits Disclosure

The breakdown of the retained profits of the Group as at 31 December 2013, into realised and unrealised profits is prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the context of disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

	As at 31 Dec 2013 RM'000	As at 30 June 2013 RM'000
Total retained profits of Bonia Corporation Berhad and its subsidiaries		
- Realised	263,692	239,612
- Unrealised	(93)	(36)
 Total share of retained profits from associated companies		
- Realised	(341)	(340)
	<hr/> 263,258	<hr/> 239,236
Less : Consolidation adjustments	<hr/> (38,820)	<hr/> (37,942)
 Total Group retained profits	<hr/> <hr/> 224,438	<hr/> <hr/> 201,294



BONIA CORPORATION BERHAD (223934-T)

[Incorporated in Malaysia]

NOTES TO INTERIM FINANCIAL REPORT

31 DECEMBER 2013

(Unaudited)

B12. Material Litigation

Further to the announcement on the quarterly results (under Note B12) made on 22 November 2013, the civil suit filed in the High Court of Malaya at Kuala Lumpur against Mr Leong Tat Yan (“the Defendant”), by the 60% owned subsidiaries of the Company, Apex Marble Sdn Bhd and Mcore Sdn Bhd (“the Plaintiffs”), the Company filed a notice of appeal on 9 April 2013 against part of the decision of the High Court dated 27 March 2013 in connection with the service of cause papers on the Defendant. The Defendant also filed a notice of appeal against part of the decision of the High Court dated 27 March 2013 in connection with the jurisdiction and forum.

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

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

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

The Federal Court had adjourned the hearing for the application for leave to appeal to a further date pending the Grounds of Judgement from the Court of Appeal.

As the application for leave hearing has yet to be heard, the legal advisors are unable to express their opinion as to the quantum of damages receivable.

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

**BONIA CORPORATION BERHAD** (223934-T)

[Incorporated in Malaysia]

NOTES TO INTERIM FINANCIAL REPORT**31 DECEMBER 2013***(Unaudited)***B13. Dividend**

No interim dividend has been declared for the current quarter under review.

B14. Earnings Per Share

The basic earnings per share has been calculated by dividing the Group's profit for the period by the number of ordinary shares in issue during the period.

i) Profit for the period (basic)

	Current year quarter 31 Dec 2013 RM'000	Preceding year quarter 31 Dec 2012 RM'000	Current year to-date 31 Dec 2013 RM'000	Preceding year period 31 Dec 2012 RM'000
Profit attributable to owners of the parent	19,002	7,533	33,223	23,045

ii) Number of ordinary shares (basic)

	Current year quarter 31 Dec 2013 '000	Preceding year quarter 31 Dec 2012 '000	Current year to-date 31 Dec 2013 '000	Preceding year period 31 Dec 2012 '000
Weighted average number of ordinary shares	201,571	201,571	201,571	201,571

By Order of the Board,
BONIA CORPORATION BERHAD

CHONG CHIN LOOK
Group Finance Director
Kuala Lumpur
25 February 2014