

FINANCIAL STATEMENTS

076

Directors' Report

086

Consolidated Statement of Changes in Equity

080

Statement by Directors

088

Statement of Changes in Equity

080

Statutory Declaration

089

Statements of Cash Flows

081

Independent Auditors' Report

092

Notes to The Financial Statements

083

Statements of Financial Position

182

Supplementary Information on Realised and Unrealised Profits or Losses

085

Statements of Profit or Loss and Other Comprehensive Income

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2016.

PRINCIPAL ACTIVITIES

The Company is principally an investment holding and management company. The principal activities of the subsidiaries are set out in Note 10 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year ended 30 June 2016.

RESULTS

	Group RM'000	Company RM'000
Profit for the financial year attributable to:		
Owners of the parent	24,852	9,116
Non-controlling interests	5,146	-
	29,998	9,116

DIVIDENDS

Dividends proposed, declared or paid since the end of the previous financial year were as follows:

	RM'000
In respect of financial year ended 30 June 2015:	
A single tier final dividend of 5% per ordinary share of RM0.25 each, was paid on 31 December 2015	10,079

The Directors recommended a single tier final dividend of 5% per ordinary share of RM0.25 each, amounting to RM10,078,593 in respect of the financial year ended 30 June 2016, subject to the approval of members of the Company at the forthcoming Annual General Meeting.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year ended 30 June 2016.

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the financial year ended 30 June 2016.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued ordinary shares of the Company during the financial year ended 30 June 2016.

DIRECTORS' REPORT

(CONTINUED)

DIRECTORS

The Directors who have held for office since the date of the last report are:

Chiang Sang Sem	(Group Executive Chairman cum Chief Executive Officer)
Chiang Fong Yee	(Alternate Director to Chiang Sang Sem)
Datuk Chiang Heng Kieng	(Group Managing Director)
Chiang Sang Bon	(Group Executive Director)
Chiang Fong Tat	(Group Executive Director)
Dato' Sri Chiang Fong Seng	(Group Executive Director)
Chong Chin Look	(Group Finance Director)
Datuk Ng Peng Hong @ Ng Peng Hay	(Senior Independent Non-Executive Director)
Dato' Shahbudin Bin Imam Mohamad	(Independent Non-Executive Director)
Chong Sai Sin	(Independent Non-Executive Director)

DIRECTORS' INTERESTS

The interest in shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at the end of the financial year 2016, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act, 1965 in Malaysia were as follows:

	Number of ordinary shares of RM0.25 each			Balance as at 30.6.2016
	Balance as at 1.7.2015	Additions	Sold/ Transferred	
Shares in the Company				
<u>Direct interests</u>				
Chiang Sang Sem ⁽¹⁾	2,997,346	4,223,454	(1,946,400)	5,274,400
Chiang Fong Yee	4,552,800	497,800	-	5,050,600
Chiang Sang Bon	1,450,000	100,000	-	1,550,000
Chiang Fong Tat	2,069,400	-	-	2,069,400
Dato' Sri Chiang Fong Seng	1,480,700	169,200	-	1,649,900
Chong Chin Look	-	450,000	-	450,000
<u>Indirect interests</u>				
Chiang Sang Sem	359,522,604	9,734,500	(1,500,000)	367,757,104
Chiang Fong Yee	40,000	-	-	40,000
Datuk Chiang Heng Kieng	176,000	-	-	176,000
Chiang Sang Bon	2,036,000	80,000	-	2,116,000
Chiang Fong Tat	100,000	-	-	100,000
Chong Chin Look	-	35,000	-	35,000

⁽¹⁾ Due to inadvertent miscalculation, a shortfall of 459,954 shares duly acquired by Chiang Sang Sem under his direct interest during the financial year ended 30 June 2015, was only noticed and reported via the Company's amended announcements made on 14 August 2015, and was being added to his direct interest in the financial year ended 30 June 2016.

DIRECTORS' REPORT

(CONTINUED)

DIRECTORS' INTERESTS (continued)

	Number of ordinary shares of SGD1.00 each			Balance as at 30.6.2016
	Balance as at 1.7.2015	Additions	Sold/ Transferred	
Shares in a subsidiary				
Jeco (Pte) Limited				
<u>Indirect interests</u>				
Dato' Sri Chiang Fong Seng	50,000	-	-	50,000

By virtue of his substantial interests in the Company, Chiang Sang Sem is also deemed to be interested in the ordinary shares of all the subsidiaries to the extent that the Company has an interest.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest except for any benefit which may be deemed to have derived by virtue of the remuneration received and receivable by certain Directors from the related corporations in their capacity as directors of those related corporations and those transactions entered into in the ordinary course of business with companies in which certain Directors of the Company and subsidiaries have substantial interests as disclosed in Note 34 to the financial statements.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the statements of profit or loss and other comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year ended 30 June 2016 have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIRECTORS' REPORT

(CONTINUED)

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (continued)

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
- (i) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent;
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
 - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
- (i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year ended 30 June 2016 in which this report is made; and
 - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

(III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Significant events during the financial year are disclosed in Note 39 to the financial statements.

SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

Significant events subsequent to the end of the reporting period are disclosed in Note 40 to the financial statements.

AUDITORS

The auditors, BDO, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors.

.....
Chiang Sang Sem
 Group Executive Chairman
 cum Chief Executive Officer

.....
Datuk Chiang Heng Kieng
 Group Managing Director

Kuala Lumpur
 10 October 2016

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 83 to 181 have been drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards, and the provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2016 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

In the opinion of the Directors, the information set out in Note 41 to the financial statements on page 182 has been compiled in accordance with the Guidance on Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

On behalf of the Board,

.....
Chiang Sang Sem
 Group Executive Chairman
 cum Chief Executive Officer

Kuala Lumpur
 10 October 2016

.....
Datuk Chiang Heng Kieng
 Group Managing Director

STATUTORY DECLARATION

I, Chong Chin Look, being the Group Finance Director primarily responsible for the financial management of Bonia Corporation Berhad, do solemnly and sincerely declare that the financial statements set out on pages 83 to 182 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
 the abovenamed at Kuala Lumpur this)
 10 October 2016)

Chong Chin Look

Before me:

Commissioner for Oaths
 Kuala Lumpur

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BONIA CORPORATION BERHAD

Report on the Financial Statements

We have audited the financial statements of Bonia Corporation Berhad, which comprise statements of financial position as at 30 June 2016 of the Group and of the Company, and statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 83 to 181.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards, and the requirements of the Companies Act, 1965 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 30 June 2016 and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the accounts and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 10 to the financial statements.
- (c) We are satisfied that the accounts of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The audit reports on the accounts of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BONIA CORPORATION BERHAD

(CONTINUED)

Other Reporting Responsibilities

The supplementary information set out in Note 41 to the financial statements is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information 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 ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

BDO

AF : 0206
Chartered Accountants

Kuala Lumpur
10 October 2016

Law Kian Huat

2855/06/18 (J)
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2016

	Note	Group		Company	
		2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	7	193,618	183,329	13,802	14,319
Investment properties	8	32,801	38,044	-	-
Intangible assets	9	93,171	69,006	-	-
Investments in subsidiaries	10	-	-	146,125	149,390
Interests in associates	11	392	97	-	-
Other investments	12	1,298	1,137	-	-
Deferred tax assets	13	2,113	3,430	3	-
Other receivables	15	10,805	-	-	-
		334,198	295,043	159,930	163,709
Current assets					
Inventories	14	149,426	153,523	-	-
Trade and other receivables	15	111,719	133,867	83,832	75,594
Current tax assets		7,092	3,658	107	-
Cash and bank balances	16	103,159	78,775	2,959	1,110
		371,396	369,823	86,898	76,704
Assets classified as held for sale	17	4,136	-	-	-
TOTAL ASSETS		709,730	664,866	246,828	240,413

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2016
(CONTINUED)

	Note	Group		Company	
		2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	18	201,572	201,572	201,572	201,572
Reserves	19	204,662	185,944	8,193	9,156
		406,234	387,516	209,765	210,728
Non-controlling interests	10(d)	20,701	16,789	-	-
TOTAL EQUITY		426,935	404,305	209,765	210,728
LIABILITIES					
Non-current liabilities					
Borrowings	20	106,322	100,088	17,188	9,749
Other payables	24	17,404	4,893	2,984	4,893
Provision for restoration costs	23	2,809	1,963	-	-
Deferred tax liabilities	13	6,859	7,322	-	8
		133,394	114,266	20,172	14,650
Current liabilities					
Trade and other payables	24	98,198	98,452	14,329	12,402
Borrowings	20	48,339	42,998	2,562	2,572
Provision for restoration costs	23	87	447	-	-
Current tax liabilities		2,777	4,398	-	61
		149,401	146,295	16,891	15,035
TOTAL LIABILITIES		282,795	260,561	37,063	29,685
TOTAL EQUITY AND LIABILITIES		709,730	664,866	246,828	240,413

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	Note	Group		Company	
		2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Revenue	27	665,438	695,329	21,378	18,222
Cost of sales	28	(299,252)	(284,520)	-	-
Gross profit		366,186	410,809	21,378	18,222
Other operating income		11,425	11,573	1,268	2,363
Selling and distribution expenses		(197,218)	(216,675)	-	-
General and administrative expenses		(123,538)	(122,354)	(12,136)	(8,773)
Finance costs		(11,211)	(10,438)	(1,264)	(1,410)
Share of profit/(losses) of associates, net of tax	11	295	(209)	-	-
Profit before tax	29	45,939	72,706	9,246	10,402
Tax expense	30	(15,941)	(21,910)	(130)	(281)
Profit for the financial year		29,998	50,796	9,116	10,121
Other comprehensive income, net of tax					
Items that may be reclassified subsequently to profit or loss					
Fair value loss on available-for-sale financial assets	30	(25)	-	-	-
Foreign currency translations	30	4,660	3,814	-	-
Total other comprehensive income, net of tax		4,635	3,814	-	-
Total comprehensive income		34,633	54,610	9,116	10,121
Profit attributable to:					
Owners of the parent		24,852	45,324	9,116	10,121
Non-controlling interests	10(d)	5,146	5,472	-	-
		29,998	50,796	9,116	10,121
Total comprehensive income attributable to:					
Owners of the parent		28,797	48,397	9,116	10,121
Non-controlling interests		5,836	6,213	-	-
		34,633	54,610	9,116	10,121
Earnings per ordinary share attributable to equity holders of the Company (sen)					
Basic and diluted:	31	3.08	5.62		

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

Group	Note	Non-distributable					Distributable			Total equity RM'000
		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	Total attributable to owners of the parent RM'000	Non-controlling interests RM'000	
Balance as at 1 July 2014		100,786	476	(12)	672	(1,706)	246,270	346,486	14,134	360,620
Profit for the financial year		-	-	-	-	-	45,324	45,324	5,472	50,796
Foreign currency translations, net of tax		-	-	-	3,073	-	-	3,073	741	3,814
Total comprehensive income		-	-	-	3,073	-	45,324	48,397	6,213	54,610
Transactions with owners										
Resale of treasury shares	19(c)	-	1,006	-	-	1,706	-	2,712	-	2,712
Bonus Issue	18	100,786	(1,482)	-	-	-	(99,304)	-	-	-
Dividends paid	32	-	-	-	-	-	(10,079)	(10,079)	-	(10,079)
Dividends paid to non-controlling interests of subsidiaries		-	-	-	-	-	-	-	(3,558)	(3,558)
Total transactions with owners		100,786	(476)	-	-	1,706	(109,383)	(7,367)	(3,558)	(10,925)
Balance as at 30 June 2015		201,572	-	(12)	3,745	-	182,211	387,516	16,789	404,305

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016
(CONTINUED)

Group	Note	← Non-distributable → Distributable →				Total attributable to owners of the parent RM'000	Non- controlling interests RM'000	Total equity RM'000
		Share capital RM'000	Available- for-sale reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000			
Balance as at 1 July 2015		201,572	(12)	3,745	182,211	387,516	16,789	404,305
Profit for the financial year		-	-	-	24,852	24,852	5,146	29,998
Fair value of available-for-sale financial assets		-	(25)	-	-	(25)	-	(25)
Foreign currency translations, net of tax		-	-	3,970	-	3,970	690	4,660
Total comprehensive income		-	(25)	3,970	24,852	28,797	5,836	34,633
Transactions with owners								
Dividends paid	32	-	-	-	(10,079)	(10,079)	-	(10,079)
Dividends paid to non-controlling interests of subsidiaries		-	-	-	-	-	(1,924)	(1,924)
Total transactions with owners		-	-	-	(10,079)	(10,079)	(1,924)	(12,003)
Balance as at 30 June 2016		201,572	(37)	7,715	196,984	406,234	20,701	426,935

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	Note	Non-distributable			Distributable	Total equity RM'000
		Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Retained earnings RM'000	
Company						
Balance as at 30 June 2014		100,786	476	(1,706)	108,418	207,974
Profit for the financial year		-	-	-	10,121	10,121
Other comprehensive income, net of tax		-	-	-	-	-
Total comprehensive income		-	-	-	10,121	10,121
Transactions with owners						
Resale of treasury shares	19(c)	-	1,006	1,706	-	2,712
Bonus Issue	18	100,786	(1,482)	-	(99,304)	-
Dividends paid	32	-	-	-	(10,079)	(10,079)
Total transactions with owners		100,786	(476)	1,706	(109,383)	(7,367)
Balance as at 30 June 2015		201,572	-	-	9,156	210,728
Profit for the financial year		-	-	-	9,116	9,116
Other comprehensive income, net of tax		-	-	-	-	-
Total comprehensive income		-	-	-	9,116	9,116
Transactions with owners						
Dividends paid	32	-	-	-	(10,079)	(10,079)
Total transactions with owners		-	-	-	(10,079)	(10,079)
Balance as at 30 June 2016		201,572	-	-	8,193	209,765

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	Note	Group		Company	
		2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		45,939	72,706	9,246	10,402
Adjustments for:					
Accretion of non-current other payables		551	569	359	569
Amortisation of trademarks	9	2,067	512	-	-
Bad debts written off		32	8	-	-
Depreciation of property, plant and equipment	7	22,899	21,905	529	536
Dividend income	27	-	-	(20,236)	(16,043)
Fair value adjustments on investment properties	8	2,656	(666)	-	-
Gain on disposals of property, plant and equipment		(127)	(644)	(115)	(219)
Impairment losses on:					
- trade and other receivables	15	5,951	-	-	-
- amounts owing by associates	15	736	1,556	2	3
- amounts owing by subsidiaries	15	-	-	1,225	632
- investments in subsidiaries	10	-	-	5,165	-
- interests in associates		-	352	-	-
- property, plant and equipment	7	1,228	-	-	-
Interest expense and profit payment on Islamic financing		7,455	6,490	875	818
Interest income		(1,221)	(1,029)	(553)	(557)
Inventories written off	14	77	440	-	-
Net loss on disposal of a subsidiary	35(b)	36	-	40	-
Property, plant and equipment written off	7	607	386	-	-
Reversal of impairment losses on amounts owing by subsidiaries	15	-	-	-	(1,540)
Reversal of impairment losses on amounts owing by associates	15	(4,045)	-	-	-
Share of (profit)/losses of associates	11	(295)	209	-	-
Unrealised (gain)/loss on foreign exchange, net		(1,347)	(619)	1	1,070
Unwinding of discount on provision for restoration costs	23	80	104	-	-
Loss on disposal of investment properties		85	-	-	-
Loss on disposal of other investment		26	-	-	-
Operating profit/(loss) before changes in working capital		83,390	102,279	(3,462)	(4,329)

STATEMENTS OF CASH FLOWS

AS AT 30 JUNE 2016
(CONTINUED)

	Note	Group		Company	
		2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)					
Balance brought forward		83,390	102,279	(3,462)	(4,329)
Changes in working capital:					
Inventories		4,020	(9,343)	-	-
Trade and other receivables		9,037	(21,731)	(42)	-
Trade and other payables		(7,345)	9,922	(4,270)	(3,721)
Cash generated from/(used in) operations		89,102	81,127	(7,774)	(8,050)
Tax paid		(22,749)	(29,842)	(309)	(264)
Tax refunded		2,146	1,222	-	-
Net cash from/(used in) operating activities		68,499	52,507	(8,083)	(8,314)
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisitions of subsidiary for cash, net of cash	35	(2,989)	-	-	-
Acquisitions of additional new shares in a subsidiary	10(b)(vii)	-	-	(2,000)	-
Advances to subsidiaries		-	-	(9,422)	(14,470)
Dividend received	27	-	-	20,236	16,043
Increase in deposits pledged to licensed banks		-	(5)	-	-
Interest received		1,221	1,029	553	557
Advances to associates		(740)	(1,160)	(2)	(3)
Net cash inflow from disposal of a subsidiary	35	58	-	-	-
Purchase of property, plant and equipment	7(a)	(27,443)	(19,807)	(17)	(11)
Purchase of trademarks	9	(8,835)	(50)	-	-
Purchase of investment properties	8(c)	(98)	(1,083)	-	-
Purchase of other investments		(189)	-	-	-
Proceeds from disposal of other investments		10	-	-	-
Proceeds from disposal of a subsidiary	35	-	-	60	-
Proceeds from disposal of investment properties		900	-	-	-
Proceeds from disposals of property, plant and equipment		2,239	1,236	120	219
Advances from subsidiaries		-	-	3,929	6,071
Net cash (used in)/from investing activities		(35,866)	(19,840)	13,457	8,406

STATEMENTS OF CASH FLOWS

AS AT 30 JUNE 2016
(CONTINUED)

	Note	Group		Company	
		2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES					
Interest paid and profit paid on Islamic financing		(7,455)	(6,490)	(875)	(818)
Dividends paid to owners of the parent	32	(10,079)	(10,079)	(10,079)	(10,079)
Dividends paid to non-controlling interests		(1,924)	(3,558)	-	-
Drawdowns of term loans and term financing-i		22,890	5,623	10,000	-
Repayments of term loans and term financing-i		(12,765)	(14,045)	(2,499)	(2,500)
Repayments of hire purchase and lease creditors		(819)	(1,139)	(72)	(69)
Resale of own shares	19(c)	-	2,712	-	2,712
Net financing of trust receipts		(1,230)	2,435	-	-
Net drawdowns/(repayments) of bankers' acceptances		2,098	(5,692)	-	-
Net cash used in financing activities		(9,284)	(30,233)	(3,525)	(10,754)
Net increase/(decrease) in cash and cash equivalents		23,349	2,434	1,849	(10,662)
Effects of exchange rate changes on cash and cash equivalents		3,173	3,004	-	-
Cash and cash equivalents at beginning of financial year		71,679	66,241	1,110	11,772
Cash and cash equivalents at end of financial year	16(d)	98,201	71,679	2,959	1,110

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

1. CORPORATE INFORMATION

Bonia Corporation Berhad (“Company”) is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office of the Company has been changed from Lot 10, The Highway Centre, Jalan 51/205, 46050 Petaling Jaya, Selangor Darul Ehsan to No. 17-1 Plaza Danau Desa 2, Jalan 4/109F, Taman Danau Desa, Off Jalan Kelang Lama, 58100 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

The principal place of business of the Company is Level 6, Ikon Connaught, Lot 160, Jalan Cerdas, Taman Connaught, Cheras, 56000 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

The consolidated financial statements for the financial year ended 30 June 2016 comprise the Company and its subsidiaries and the interests of the Group in associates. These financial statements are presented in Ringgit Malaysia (“RM”), which is also the functional currency of the Company. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 10 October 2016.

2. PRINCIPAL ACTIVITIES

The Company is principally an investment holding and management company. The principal activities of the subsidiaries are set out in Note 10 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year 2016.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company set out on pages 83 to 181 have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards (“IFRSs”) and the provisions of the Companies Act, 1965 in Malaysia.

However, Note 41 to the financial statements set out on page 182 has been 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 (“MIA Guidance”) and the directive of Bursa Malaysia Securities Berhad.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

The preparation of financial statements in conformity with MFRSs requires the Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and contingent liabilities. In addition, the Directors are also required to exercise their judgement in the process of applying the accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 6 to the financial statements. Although these estimates and assumptions are based on the Directors’ best knowledge of events and actions, actual results could differ from those estimates.

4.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- (a) Power over the investee;
- (b) Exposure, or rights, to variable returns from its involvement with the investee; and
- (c) The ability to use its power over the investee to affect its returns.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Basis of consolidation (continued)

If the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) The contractual arrangement with the other vote holders of the investee;
- (b) Rights arising from other contractual agreements; and
- (c) The voting rights of the Group and potential voting rights.

Intragroup balances, transactions, income and expenses are eliminated on consolidation. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the interest of the Group in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no impairment.

The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies. Where necessary, accounting policies of subsidiaries are changed to ensure consistency with the policies adopted by the other entities in the Group.

Non-controlling interests represent equity in subsidiaries that are not attributable, directly or indirectly, to owners of the parent, and is presented separately in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the financial year are included in the statement of profit or loss and other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity and attributed to owners of the parent.

If the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between:

- (a) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and
- (b) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 139 *Financial Instruments: Recognition and Measurement* or, where applicable, the cost on initial recognition of an investment in associate or joint venture.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.3 Business combinations

Business combinations are accounted for by applying the acquisition method of accounting.

Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured at their fair value at the acquisition date, except that:

- (a) deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with MFRS 112 *Income Taxes* and MFRS 119 *Employee Benefits* respectively;
- (b) liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacements by the Group of an acquiree's share-based payment transactions are measured in accordance with MFRS 2 *Share-based Payment* at the acquisition date; and
- (c) assets (or disposal groups) that are classified as held for sale in accordance with MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the serviced are received.

Any contingent consideration payable is recognised at fair value at the acquisition date. Measurement period adjustments to contingent consideration are dealt with as follows:

- (a) If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity.
- (b) Subsequent changes to contingent consideration classified as an asset or liability that is a financial instrument within the scope of MFRS 139 are recognised either in profit or loss or in other comprehensive income in accordance with MFRS 139. All other subsequent changes are recognised in profit or loss.

In a business combination achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are initially measured at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs. The choice of measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the previously held equity interest of the Group in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill in the statement of financial position. The accounting policy for goodwill is set out in Note 4.8(a) to the financial statements. In instances where the latter amount exceeds the former, the excess is recognised as a gain on bargain purchase in profit or loss on the acquisition date.

4.4 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset would flow to the Group and the cost of the asset could be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the asset is acquired, if applicable.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the asset and which has different useful life, is depreciated separately.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.4 Property, plant and equipment and depreciation (continued)

After initial recognition, property, plant and equipment except for freehold land and properties under construction, are stated at cost less any accumulated depreciation and any accumulated impairment losses.

Properties under construction represent buildings under extension work or construction and are stated at cost.

Depreciation is calculated to write off the cost of the assets to their residual values on a straight line basis over their estimated useful lives. The principal depreciation rates are as follows:

Buildings	2%
Electrical installations	10% - 15%
Furniture, fittings and counter fixtures	10% - 33 1/3%
Motor vehicles	20%
Office equipment	10% - 50%
Plant and machinery	15% - 20%
Renovation	10% - 33 1/3%

Freehold land has unlimited useful life and is not depreciated. Properties under construction are not depreciated until such time when the asset is available for use. Leasehold land is depreciated over the leasehold period from seventy-one (71) to ninety-six (96) years.

At the end of each reporting period, the carrying amount of an item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount (see Note 4.9 to the financial statements on impairment of non-financial assets).

The residual values, useful lives and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the carrying amount is included in profit or loss.

4.5 Leases and hire purchase

(a) Finance leases and hire purchase

Assets acquired under finance leases and hire purchase which transfer substantially all the risks and rewards of ownership to the Group are recognised initially at amounts equal to the fair value of the leased assets or, if lower, the present value of minimum lease payments, each determined at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the leases, if this is practicable to determine; if not, the incremental borrowing rate of the Group is used. Any initial direct costs incurred by the Group are added to the amount recognised as an asset. The assets are capitalised as property, plant and equipment and the corresponding obligations are treated as liabilities. The property, plant and equipment capitalised are depreciated on the same basis as owned assets.

The minimum lease payments are apportioned between the finance charges and the reduction of the outstanding liability. The finance charges are recognised in profit or loss over the period of the lease term so as to produce a constant periodic rate of interest on the remaining lease and hire purchase liabilities.

(b) Operating leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Lease payments under operating leases are recognised as an expense on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 Leases and hire purchase (continued)

(c) Leases of land and buildings

For leases of land and buildings, the land and buildings elements are considered separately for the purpose of lease classification and these leases are classified as operating or finance leases in the same way as leases of other assets.

The minimum lease payments including any lump-sum upfront payments made to acquire the interest in the land and buildings are allocated between the land and the buildings elements in proportion to the relative fair values of the leasehold interests in the land element and the buildings element of the lease at the inception of the lease.

For a lease of land and buildings in which the amount that would initially be recognised for the land element is immaterial, the land and buildings are treated as a single unit for the purpose of lease classification and is accordingly classified as a finance or operating lease. In such a case, the economic life of the buildings is regarded as the economic life of the entire leased asset.

4.6 Investment properties

Investment properties are properties which are held to earn rental yields or for capital appreciation or for both and are not occupied by the Group. Investment properties also include properties that are being constructed or developed for future use as investment properties. Investment properties are initially measured at cost, which includes transaction costs. After initial recognition, investment properties are stated at fair value.

If the Group determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably determinable when construction is complete, the Group shall measure that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier). Once the Group is able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, the Group shall measure that property at its fair value.

The fair value of investment properties reflect among other things, rental income from current leases and other assumptions that market participants would use when pricing investment properties under current market conditions.

Fair values of investment properties are based on valuations by registered independent valuers with appropriate recognised professional qualification and has recent experience in the location and category of the investment properties being valued.

A gain or loss arising from a change in the fair value of investment properties is recognised in profit or loss for the period in which it arises.

Investment properties are derecognised when either they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The gains or losses arising from the retirement or disposal of investment property is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset and is recognised in profit or loss in the period of the retirement or disposal.

4.7 Investments

(a) Subsidiaries

A subsidiary is an entity in which the Group and the Company are exposed, or have rights, to variable returns from its involvement with the subsidiary and have the ability to affect those returns through its power over the subsidiary.

An investment in subsidiary, which is eliminated on consolidation, is stated in the separate financial statements of the Company at cost. Put options written over non-controlling interests on the acquisition of subsidiary shall be included as part of the cost of investment in the separate financial statements of the Company. Subsequent changes in the fair value of the written put options over non-controlling interests shall be recognised in profit or loss. Investments accounted for at cost shall be accounted for in accordance with MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* when they are classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with MFRS 5.

When control of a subsidiary is lost as a result of a transaction, event or other circumstance, the Group would derecognise all assets, liabilities and non-controlling interests at their carrying amount and to recognise the fair value of the consideration received. Any retained interest in the former subsidiary is recognised at its fair value at the date control is lost. The resulting difference is recognised as a gain or loss in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.7 Investments (continued)

(b) Associates

An associate is an entity over which the Group and the Company have significant influence and that is neither a subsidiary nor an interest in a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is neither control nor joint control over those policies.

In the separate financial statements of the Company, an investment in associate is stated at cost less impairment losses.

An investment in associate is accounted for in the consolidated financial statements using the equity method of accounting. The investment in associate in the consolidated statement of financial position is initially recognised at cost and adjusted thereafter for the post acquisition change in the share of net assets of the investments of the Group.

The interest in an associate is the carrying amount of the investment in the associate under the equity method together with any long term interest that, in substance, form part of the net investment in the associate of the Group.

The share of the profit or loss of the associate by the Group during the financial year is included in the consolidated financial statements, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. Distributions received from the associate reduce the carrying amount of the investment. Adjustments to the carrying amount could also be necessary for changes in the proportionate interest of the Group in the associate arising from changes in the associate's equity that have not been recognised in the associate's profit or loss. Such changes include those arising from the revaluation of property, plant and equipment and from foreign exchange translation differences. The share of those changes by the Group is recognised directly in equity of the Group.

Unrealised gains and losses on transactions between the Group and the associate are eliminated to the extent of the interest of the Group in the associate to the extent that there is no impairment.

When the share of losses of the Group in the associate equals to or exceeds its interest in the associate, the carrying amount of that interest is reduced to nil and the Group does not recognise further losses unless it has incurred legal or constructive obligations or made payments on its behalf.

The most recent available financial statements of the associate are used by the Group in applying the equity method. When the end of the reporting periods of the financial statements are not coterminous, the share of results is arrived at using the latest financial statements for which the difference in end of the reporting periods is no more than three (3) months. Adjustments are made for the effects of any significant transactions or events that occur between the intervening periods.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. The difference between the fair value of any retained interest plus proceeds from the interest disposed of and the carrying amount of the investment at the date when equity method is discontinued is recognised in the profit or loss.

When the interest of the Group in an associate decreases but does not result in a loss of significant influence, any retained interest is not re-measured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to the profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

4.8 Intangible assets

(a) Goodwill

Goodwill recognised in a business combination is an asset at the acquisition date and is initially measured at cost being the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the interest of the Group in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.8 Intangible assets (continued)

(a) Goodwill (continued)

After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. Goodwill is not amortised but instead tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount could be impaired. Objective events that would trigger a more frequent impairment review include adverse industry or economic trends, significant restructuring actions, significantly lowered projections of profitability, or a sustained decline in the acquiree's market capitalisation. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill arising on acquisition of an associate is the excess of cost of investment over the share of the net fair value of net assets of the associates' identifiable assets and liabilities by the Group at the date of acquisition.

Goodwill relating to the associate is included in the carrying amount of the investment and is not amortised. The excess of the share of the net fair value of the associate's identifiable assets and liabilities by the Group over the cost of investment is included as income in the determination of the share of the associate's profit or loss by the Group in the period in which the investment is acquired.

(b) Other intangible assets

Other intangible assets are recognised only when the identifiability, control and future economic benefit probability criteria are met.

The Group recognises at the acquisition date separately from goodwill, an intangible asset of the acquiree, irrespective of whether the asset had been recognised by the acquiree before the business combination.

Intangible assets are initially measured at cost. The cost of intangible assets recognised in a business combination is their fair values as at the date of acquisition.

After initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised on a straight line basis over the estimated economic useful lives and are assessed for any indication that the asset could be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in profit or loss and is included within the other operating expenses line item.

An intangible asset has an indefinite useful life when based on the analysis of all the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows to the Group. Intangible assets with indefinite useful lives are tested for impairment annually and wherever there is an indication that the carrying amount may be impaired. Such intangible assets are not amortised. Their useful lives are reviewed at the end of each reporting period to determine whether events and circumstances continue to support the indefinite useful life assessment for the asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for as a change in accounting estimate in accordance with MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

Expenditure on an intangible item that are initially recognised as an expense is not recognised as part of the cost of an intangible asset at a later date.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use. The gain or loss arising from the derecognition determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset is recognised in profit or loss when the asset is derecognised.

Trademarks

Acquired trademarks that have finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is calculated using the straight line method to allocate the cost of trademarks over their estimated useful lives of seven (7) to forty (40) years. Cost of renewing trademarks is recognised in profit or loss as incurred.

Trademarks with indefinite useful lives are tested for impairment annually and wherever there is an indication that the carrying amount may be impaired.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.11 Financial instruments (continued)

Financial instruments are recognised on the statement of financial position when the Group has become a party to the contractual provisions of the instrument. At initial recognition, a financial instrument is recognised at fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issuance of the financial instrument.

An embedded derivative is separated from the host contract and accounted for as a derivative if, and only if the economic characteristics and risks of the embedded derivative is not closely related to the economic characteristics and risks of the host contract, a separate instrument with the same terms as the embedded derivative meets the definition of a derivative, and the hybrid instrument is not measured at fair value through profit or loss.

(a) Financial assets

A financial asset is classified into the following four (4) categories after initial recognition for the purpose of subsequent measurement:

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise financial assets that are held for trading (i.e. financial assets acquired principally for the purpose of resale in the near term), derivatives (both, freestanding and embedded) and financial assets that were specifically designated into this classification upon initial recognition.

Subsequent to initial recognition, financial assets classified as at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in the fair value of financial assets classified as at fair value through profit or loss are recognised in profit or loss.

However, derivatives that is linked to and must be settled by delivery of unquoted equity instruments that do not have a quoted market price in an active market are recognised at cost.

(ii) Held-to-maturity investments

Financial assets classified as held-to-maturity comprise non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group has the positive intention and ability to hold to maturity.

Subsequent to initial recognition, financial assets classified as held-to-maturity are measured at amortised cost using the effective interest method. Gains or losses on financial assets classified as held-to-maturity are recognised in profit or loss when the financial assets are derecognised or impaired, and through the amortisation process.

(iii) Loans and receivables

Financial assets classified as loans and receivables comprise non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Subsequent to initial recognition, financial assets classified as loans and receivables are measured at amortised cost using the effective interest method. Gains or losses on financial assets classified as loans and receivables are recognised in profit or loss when the financial assets are derecognised or impaired, and through the amortisation process.

(iv) Available-for-sale financial assets

Financial assets classified as available-for-sale comprise non-derivative financial assets that are designated as available for sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss.

Subsequent to initial recognition, financial assets classified as available-for-sale are measured at fair value. Any gains or losses arising from changes in the fair value of financial assets classified as available-for-sale are recognised directly in other comprehensive income, except for impairment losses and foreign exchange gains and losses, until the financial asset is derecognised, at which time the cumulative gains or losses previously recognised in other comprehensive income are recognised in profit or loss. However, interest calculated using the effective interest method is recognised in profit or loss whilst dividends on available-for-sale equity instruments are recognised in profit or loss when the right of the Group to receive payment is established.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.11 Financial instruments (continued)

(a) Financial assets (continued)

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three (3) months or less, and are used by the Group and the Company in the management of their short term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

A financial asset is derecognised when the contractual right to receive cash flows from the financial asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised directly in other comprehensive income shall be recognised in profit or loss.

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or marketplace convention.

A regular way purchase or sale of financial assets shall be recognised and derecognised, as applicable, using trade date accounting.

(b) Financial liabilities

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. A financial liability is classified into the following two (2) categories after initial recognition for the purpose of subsequent measurement:

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss comprise financial liabilities that are held for trading, derivatives (both, freestanding and embedded) and financial liabilities that were specifically designated into this classification upon initial recognition.

Subsequent to initial recognition, financial liabilities classified as at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in the fair value of financial liabilities classified as at fair value through profit or loss are recognised in profit or loss.

(ii) Other financial liabilities

Financial liabilities classified as other financial liabilities comprise non-derivative financial liabilities that are neither held for trading nor initially designated as at fair value through profit or loss.

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method. Gains or losses on other financial liabilities are recognised in profit or loss when the financial liabilities are derecognised and through the amortisation process.

A financial liability is derecognised when, and only when, it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expires. An exchange between an existing borrower and lender of debt instruments with substantially different terms are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Any difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.11 Financial instruments (continued)

(b) Financial liabilities (continued)

The Group designates corporate guarantees given to banks for credit facilities granted to subsidiaries as insurance contracts as defined in MFRS 4 Insurance Contracts. The Group recognises these insurance contracts as recognised insurance liabilities when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

At the end of each reporting period, the Group assesses whether its recognised insurance liabilities are adequate, using current estimates of future cash flows under its insurance contracts. If this assessment shows that the carrying amount of the insurance liabilities is inadequate, the entire deficiency shall be recognised in profit or loss.

Recognised insurance liabilities are only removed from the statement of financial position when, and only when, it is extinguished via a discharge, cancellation or expiration.

(c) Equity

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are classified as equity instruments.

Ordinary shares are recorded at the nominal value and proceeds in excess of the nominal value of shares issued, if any, are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit. Otherwise, they are charged to profit or loss.

Interim dividends to shareholders are recognised in equity in the period in which they are declared. Final dividends are recognised upon the approval of shareholders in a general meeting.

The Group measures a liability to distribute non-cash assets as a dividend to the owners of the Company at the fair value of the assets to be distributed. The carrying amount of the dividend is remeasured at the end of each reporting period and at the settlement date, with any changes recognised directly in equity as adjustments to the amount of the distribution. On settlement of the transaction, the Group recognises the difference, if any, between the carrying amount of the assets distributed and the carrying amount of the liability in profit or loss.

When the Group repurchases its own shares, the shares repurchased would be accounted for using the treasury stock method.

Where the treasury stock method is applied, the shares repurchased and held as treasury shares shall be measured and carried at the cost of repurchase on initial recognition and subsequently. It shall not be revalued for subsequent changes in the fair value or market price of the shares.

The carrying amount of the treasury shares shall be offset against equity in the statement of financial position. To the extent that the carrying amount of the treasury shares exceeds the share premium account, it shall be considered as a reduction of any other reserves as may be permitted by the Companies Act, 1965 in Malaysia.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the own equity instruments of the Company. If such shares are issued by resale, any difference between the sales consideration and the carrying amount is shown as a movement in equity.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.12 Impairment of financial assets

The Group assesses whether there is any objective evidence that a financial asset is impaired at the end of each reporting period.

(a) Loans and receivables

The Group collectively considers factors such as the probability of bankruptcy or significant financial difficulties of the receivable, and default or significant delay in payments by the receivable, to determine whether there is objective evidence that an impairment loss on loans and receivables has occurred. Other objective evidence of impairment include historical collection rates determined on an individual basis and observable changes in national or local economic conditions that are directly correlated with the historical default rates of receivables.

If any such objective evidence exists, the amount of impairment loss is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of loans and receivables are reduced through the use of an allowance account.

If in a subsequent period, the amount of the impairment loss decreases and it objectively relates to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of impairment reversed is recognised in profit or loss.

(b) Available-for-sale financial assets

The Group collectively considers factors such as significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market as objective evidence that available-for-sale financial assets are impaired.

If any such objective evidence exists, an amount comprising the difference between the financial asset's cost (net of any principal payment and amortisation) and current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss.

Impairment losses in respect of unquoted equity instrument that is carried at cost is recognised in profit or loss and is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Impairment losses on available-for-sale equity investments are not reversed in profit or loss in the subsequent periods. Instead, any increase in the fair value subsequent to the impairment loss is recognised in other comprehensive income.

Impairment losses on available-for-sale debt investments are subsequently reversed in profit or loss if the increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.

4.13 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualified asset is capitalised as part of the cost of the asset until when substantially all the activities necessary to prepare the asset for its intended use or sale are complete, after which such expense is charged to profit or loss. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing cost is suspended during extended periods in which active development is interrupted.

The amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred on the borrowing during the period less any investment income on the temporary investment of the borrowing.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.14 Income taxes

Income taxes include all domestic and foreign taxes on taxable profit. Income taxes also include other taxes, such as withholding taxes, which are payable by foreign subsidiaries and associates on distributions to the Group and Company, and real property gains taxes payable on disposal of properties.

Taxes in the statement of profit or loss and other comprehensive income comprise current tax and deferred tax.

(a) Current tax

Current tax expenses are determined according to the tax laws of each jurisdiction in which the Group operates and include all taxes based upon the taxable profits (including withholding taxes payable by foreign subsidiaries on distribution of retained earnings to companies in the Group), and real property gains taxes payable on disposal of properties.

(b) Deferred tax

Deferred tax is recognised in full using the liability method on temporary differences arising between the carrying amount of an asset or liability in the statement of financial position and its tax base.

Deferred tax is recognised for all temporary differences, unless the deferred tax arises from goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amount of a deferred tax asset is reviewed at the end of each reporting period. If it is no longer probable that sufficient taxable profits would be available to allow the benefit of part or all of that deferred tax asset to be utilised, the carrying amount of the deferred tax asset would be reduced accordingly. When it becomes probable that sufficient taxable profits would be available, such reductions would be reversed to the extent of the taxable profits.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority on either:

- (i) the same taxable entity; or
- (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Deferred tax would be recognised as income or expense and included in the profit or loss for the period unless the tax relates to items that are credited or charged, in the same or a different period, directly to equity, in which case the deferred tax would be charged or credited directly to equity.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on the announcement of tax rates and tax laws by the Government in the annual budgets which have the substantive effect of actual enactment by the end of each reporting period.

4.15 Provisions

Provisions are recognised when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects a provision to be reimbursed (for example, under an insurance contract), the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

If the effect of the time value of money is material, the amount of a provision would be discounted to its present value at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits would be required to settle the obligation, the provision would be reversed.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.15 Provisions (continued)

Provisions are not recognised for future operating losses. If the Group has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

Provision for restoration costs

Provision for restoration costs is included in the carrying amounts of property, plant and equipment. This provision is recognised in respect of the obligation of the Group to restore leased outlets to its original state upon the expiry of tenancy agreements.

4.16 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources would be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but disclose its existence where inflows of economic benefits are probable, but not virtually certain.

In the acquisition of subsidiaries by the Group under business combinations, contingent liabilities assumed are measured initially at their fair value at the acquisition date.

4.17 Employee benefits

(a) Short term employee benefits

Wages, salaries, social security contributions, paid annual leave, paid sick leave, bonuses and non-monetary benefits are measured on an undiscounted basis and are expensed when employees rendered their services to the Group.

Short term accumulating compensated absences such as paid annual leave are recognised as an expense when employees render services that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur and they lapse if the current period's entitlement is not used in full and do not entitle employees to a cash payment for unused entitlement on leaving the Group.

Bonuses are recognised as an expense when there is a present, legal or constructive obligation to make such payments, as a result of past events and when a reliable estimate can be made of the amount of the obligation.

(b) Defined contribution plans

The Company and its subsidiaries incorporated in Malaysia make contributions to a statutory provident fund and foreign subsidiaries make contributions to their respective countries' statutory pension schemes. The contributions are recognised as a liability after deducting any contribution already paid and as an expense in the period in which the employees render their services.

4.18 Foreign currencies

(a) Functional and presentation currency

Items included in the financial statements of each of the entities of the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia, which is the functional and presentation currency of the Company.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.18 Foreign currencies (continued)

(b) Foreign currency translations and balances

Transactions in foreign currencies are converted into functional currency at rates of exchange ruling at the transaction dates. Monetary assets and liabilities in foreign currencies at the end of each reporting period are translated into functional currency at rates of exchange ruling at that date. All exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are included in profit or loss in the period in which they arise. Non-monetary items initially denominated in foreign currencies, which are carried at historical cost are translated using the historical rate as of the date of acquisition, and non-monetary items, which are carried at fair value are translated using the exchange rate that existed when the values were determined for presentation currency purposes.

(c) Foreign operations

Financial statements of foreign operations are translated at end of the reporting period exchange rates with respect to their assets and liabilities, and at exchange rates at the dates of the transactions with respect to the statement of profit or loss and other comprehensive income. All resulting translation differences are recognised as a separate component of equity.

In the consolidated financial statements, exchange differences arising from the translation of net investment in foreign operations are taken to equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in profit or loss as part of the gain or loss on disposal.

Exchange differences arising on a monetary item that forms part of the net investment of the Company in a foreign operation shall be recognised in profit or loss in the separate financial statements of the Company or the foreign operation, as appropriate. In the consolidated financial statements, such exchange differences shall be recognised initially as a separate component of equity and recognised in profit or loss upon disposal of the net investment.

Goodwill and fair value adjustments to the assets and liabilities arising from the acquisition of a foreign operation are treated as assets and liabilities of the acquired entity and translated at the exchange rate ruling at the end of each reporting period.

4.19 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivables, net of discounts and rebates.

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction would flow to the Group, and the amount of revenue and the cost incurred or to be incurred in respect of the transaction can be reliably measured and specific recognition criteria have been met for each of the activities of the Group as follows:

(a) Sale of goods

Revenue from sale of goods is recognised when significant risk and rewards of ownership of the goods has been transferred to the customer and where the Group does not have continuing managerial involvement over the goods, which coincides with the delivery of goods and acceptance by customers.

(b) Dividend income

Dividend income is recognised when the right to receive payment is established.

(c) Interest income

Interest income is recognised as it accrues, using the effective interest method.

(d) Rental income

Rental income is accounted for on a straight line basis over the lease term of an ongoing lease.

(e) Royalty income

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.20 Operating segments

Operating segments are defined as components of the Group that:

- (a) engages in business activities from which it could earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group);
- (b) whose operating results are regularly reviewed by the chief operating decision maker of the Group particularly in making decisions about resources to be allocated to the segment and assessing its performance; and
- (c) for which discrete financial information is available.

An operating segment may engage in business activities for which it has yet to earn revenues.

The Group reports separately information about each operating segment that meets any of the following quantitative thresholds:

- (a) Its reported revenue, including both sales to external customers and intersegment sales or transfers, is ten percent (10%) or more of the combined revenue, internal and external, of all operating segments.
- (b) The absolute amount of its reported profit or loss is ten percent (10%) or more of the greater, in absolute amount of:
 - (i) the combined reported profit of all operating segments that did not report a loss; and
 - (ii) the combined reported loss of all operating segments that reported a loss.
- (c) Its assets are ten percent (10%) or more of the combined assets of all operating segments.

Operating segments that do not meet any of the quantitative thresholds may be considered reportable, and separately disclosed, if the management believes that information about the segment would be useful to users of the financial statements.

Total external revenue reported by operating segments shall constitute at least seventy-five percent (75%) of the revenue of the Group. Operating segments identified as reportable segments in the current financial year in accordance with the quantitative thresholds would result in a restatement of prior period segment data for comparative purposes.

4.21 Earnings per share

- (a) Basic

Basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year.

- (b) Diluted

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares.

4.22 Fair value measurements

The fair value of an asset or a liability, except for lease transactions is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.22 Fair value measurements (continued)

The Group measures the fair value of an asset or a liability by taking into account the characteristics of the asset or liability if market participants would take these characteristics into account when pricing the asset or liability. The Group has considered the following characteristics when determining fair value:

- (a) The condition and location of the asset; and
- (b) Restrictions, if any, on the sale or use of the asset.

The fair value measurement for a non-financial asset takes into account the ability of the market participant to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The fair value of a financial or non-financial liability or an entity's own equity instrument assumes that:

- (a) A liability would remain outstanding and the market participant transferee would be required to fulfil the obligation. The liability would not be settled with the counterparty or otherwise extinguished on the measurement date; and
- (b) An entity's own equity instrument would remain outstanding and the market participant transferee would take on the rights and responsibilities associated with the instrument. The instrument would not be cancelled or otherwise extinguished on the measurement date.

4.23 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amounts would be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the assets shall be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and its sale must be highly probable. The probability of shareholders' approval (if required in the jurisdiction) is considered as part of the assessment of whether the sale is highly probable.

The sale is expected to qualify for recognition as a completed sale within one (1) year from the date of classification. However, an extension of the period required to complete the sale does not preclude the assets from being classified as held for sale if the delay is caused by events or circumstances beyond the control of the Group and there is sufficient evidence that the Group remains committed to its plan to sell the assets.

Immediately before the initial classification as held for sale, the carrying amounts of the assets are measured in accordance with applicable MFRSs. On initial classification as held for sale, non-current assets (other than investment properties, deferred tax assets, employee benefits assets, and financial assets carried at fair value) are measured at the lower of its carrying amount before the initial classification as held for sale and fair value less costs to sell. The differences, if any, are recognised in profit or loss as impairment loss.

Non-current assets held for sale are classified as current assets in the statement of financial position and are stated at the lower of carrying amount immediately before initial classification and fair value less costs to sell and are not depreciated. Any cumulative income or expense recognised directly in equity relating to the non-current asset classified as held for sale is presented separately.

If an asset is being classified as assets held for sale but subsequently, the criteria for such classification is not met, it will be reclassified as non-current asset and will be measured at the lower of:

- (i) Its carrying amount before the asset was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been classified as held for sale; and
- (ii) Its recoverable amount at the date of the subsequent decision not to sell.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

5. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

5.1 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2016

The following are Standards of the MFRS Framework that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been early adopted by the Group and by the Company.

Title	Effective Date
MFRS 14 <i>Regulatory Deferral Accounts</i>	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128 <i>Investment Entities: Applying the Consolidation Exception</i>	1 January 2016
Amendments to MFRS 101 <i>Disclosure Initiative</i>	1 January 2016
Amendments to MFRS 116 and MFRS 138 <i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
Amendments to MFRS 11 <i>Accounting for Acquisitions of Interests in Joint Operations</i>	1 January 2016
Amendments to MFRS 116 and MFRS 141 <i>Agriculture: Bearer Plants</i>	1 January 2016
Amendments to MFRS 127 <i>Equity Method in Separate Financial Statements</i>	1 January 2016
Amendments to MFRSs <i>Annual Improvements to 2012-2014 Cycle</i>	1 January 2016
Amendments to MFRS 112 <i>Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017
Amendments to MFRS 107 <i>Disclosure Initiative</i>	1 January 2017
MFRS 15 <i>Revenue from Contracts with Customers</i>	1 January 2018
Clarification to MFRS 15	1 January 2018
MFRS 9 <i>Financial Instruments (IFRS as issued by IASB in July 2014)</i>	1 January 2018
Amendments to MFRS 2 <i>Classification and Measurement of Share-based Payment Transactions</i>	1 January 2018
MFRS 16 <i>Leases</i>	1 January 2019
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associates or Joint Venture</i>	Deferred

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

6.1 Changes in estimates

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Directors are of the opinion that there are no significant changes in estimates at the end of the reporting period.

6.2 Critical judgements made in applying accounting policies

The following are judgements made by management in the process of applying the accounting policies of the Group that have the most significant effect on the amounts recognised in the financial statements.

(a) Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 *Investment Property* in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

(b) Classification of leasehold land

The Group has assessed and classified land use rights of the Group as finance leases based on the extent to which risks and rewards incidental to ownership of the land resides with the Group arising from the lease term. Consequently, the Group has classified the unamortised upfront payment for land use rights as finance leases in accordance with MFRS 117 *Leases*.

(c) Contingent rental

The Group has entered into tenancy agreements for the lease of boutiques, which contain contingent rental features based on predetermined revenue thresholds. The Group has determined that these contingent rental features are not embedded derivatives to be separately accounted for due to the economic characteristics and risks of these contingent rental features are closely related to the economic characteristics and risks of the underlying tenancy agreements. There are no leverage features contained within these contingent rental features.

(d) Contingent liabilities

The determination of treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies for matters in the ordinary course of business.

(e) Classification of non-current bank borrowings

Term loan agreements entered into by the Group include repayment on demand clauses at the discretion of financial institutions. The Group believes that in the absence of a default being committed by the Group, these financial institutions are not entitled to exercise its right to demand for repayment. Accordingly, the carrying amount of the term loans have been classified between current and non-current liabilities based on their repayment period.

(f) Contingent liabilities on corporate guarantees

The Directors are of the view that the chances of the financial institutions to call upon the corporate guarantees are remote.

(g) Non-current assets classified as held for sale

Certain non-current assets as disclosed in Note 17 to the financial statements have been classified as held for sale as the management has committed to a plan to sell the assets as at the end of each reporting period. The sale of the assets had been completed subsequent to the financial year ended 30 June 2016.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

6.3 Key sources of estimation uncertainty (continued)

(g) Fair values of borrowings

The fair values of borrowings are estimated by discounting future contractual cash flows at the current market interest rates available to the Group for similar financial instruments. It is assumed that the effective interest rates approximate the current market interest rates available to the Group based on its size and its business risk. Sensitivity analysis of the effects of interest rate risk has been disclosed in Note 38 to the financial statements.

(h) Provision for restoration costs

The Group estimates provision for restoration costs based on historical costs incurred per square feet of sales area. The estimated provision for restoration costs are reviewed periodically and are updated if expectations differ from previous estimates due to changes in cost factors. Where expectations differ from the original estimates, the differences would impact the carrying amount of provision for restoration costs.

(i) Impairment of investments in subsidiaries and impairment of amounts owing by subsidiaries

Management reviews the investments in subsidiaries for impairment when there is an indication of impairment and assess the impairment of amounts owing by subsidiaries when the receivables are long outstanding. The recoverable amounts of the investments in subsidiaries and amounts owing by subsidiaries are assessed by reference to the higher or their fair values less cost to sell and their value in use of the respective subsidiaries.

Estimating value in use requires management to make an estimate of the expected future cash flows to be derived from continuing use of the asset and from its ultimate disposal, expectations about possible variations in the amount, timing of those cash flows, the time value of money, price for inherent uncertainty risk and other relevant factors.

(j) Fair value measurement

The financial and non-financial assets and liabilities that are measured subsequent to initial recognition at fair value are grouped into Level 1 to Level 3 based on the degree to which the fair value inputs are observable:

- (i) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (ii) Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- (iii) Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The classification of an item into the above levels is based on the lowest level of the inputs used in the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group engages several professional valuers to perform valuations on various assets as disclosed separately in the respective notes to the financial statements.

The Group measures these elements in the financial statements at fair value:

- (i) Investment properties, Note 8 to the financial statements; and
- (ii) Financial instruments, Note 37 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

7. PROPERTY, PLANT AND EQUIPMENT

Group	Balance as at 1.7.2015 RM'000	Additions RM'000	Disposals RM'000	Transfer to assets held for sale (Note 17) RM'000	Reclassifications RM'000	Impairment RM'000	Written off RM'000	Depreciation charge for the financial year RM'000	Translation adjustments RM'000	Balance as at 30.6.2016 RM'000
Carrying amount										
Freehold land	3,002	-	-	-	-	-	-	-	-	3,002
Leasehold land	3,496	-	-	-	-	-	-	(20)	-	3,476
Buildings on freehold land	123,627	-	-	(2,436)	-	-	-	(2,444)	186	118,933
Buildings on long term leasehold land	17,516	-	-	-	(302)	(356)	-	(334)	398	16,922
Electrical installations	424	344	(6)	-	-	-	(8)	(124)	-	630
Furniture, fittings and counter fixtures	19,894	11,571	(1,244)	-	302	(677)	(267)	(10,224)	30	19,385
Motor vehicles	674	-	(120)	-	-	-	-	(310)	17	261
Motor vehicles under hire purchase and lease	2,211	-	(470)	-	-	-	-	(674)	75	1,142
Office equipment	5,786	3,630	(76)	-	-	-	(20)	(2,574)	41	6,787
Plant and machinery	589	183	(73)	-	-	-	-	(215)	3	487
Renovation	6,010	12,333	(123)	-	-	(195)	(312)	(5,980)	345	12,078
Properties under construction	100	10,746	-	-	-	-	-	-	(331)	10,515
	183,329	38,807	(2,112)	(2,436)	-	(1,228)	(607)	(22,899)	764	193,618

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

(CONTINUED)

7. PROPERTY, PLANT AND EQUIPMENT (continued)

Group	At 30.6.2016			
	Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment RM'000	Carrying amount RM'000
Freehold land	3,002	-	-	3,002
Leasehold land	3,659	(183)	-	3,476
Buildings on freehold land	130,304	(11,095)	(276)	118,933
Buildings on long term leasehold land	22,858	(3,150)	(2,786)	16,922
Electrical installations	1,360	(730)	-	630
Furniture, fittings and counter fixtures	88,573	(68,475)	(713)	19,385
Motor vehicles	1,768	(1,507)	-	261
Motor vehicles under hire purchase and lease	6,513	(5,371)	-	1,142
Office equipment	24,663	(17,858)	(18)	6,787
Plant and machinery	3,341	(2,840)	(14)	487
Plant and machinery under hire purchase and lease	98	(98)	-	-
Renovation	32,577	(20,304)	(195)	12,078
Properties under construction	10,515	-	-	10,515
	329,231	(131,611)	(4,002)	193,618

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

7. PROPERTY, PLANT AND EQUIPMENT (continued)

Group	Balance	Additions	Disposals	Transfer from investment properties (Note 8)	Reclassifications	Written off	Depreciation charge for the financial year	Translation adjustments	Balance
	as at 1.7.2014								as at 30.6.2015
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Carrying amount									
Freehold land	3,002	-	-	-	-	-	-	-	3,002
Leasehold land	3,528	-	-	-	-	(32)	(32)	-	3,496
Buildings on freehold land	31,004	6,371	-	66,720	19,943	-	(843)	432	123,627
Buildings on long term leasehold land	15,812	1,404	-	-	-	-	(197)	497	17,516
Electrical installations	467	112	-	-	-	(29)	(126)	-	424
Furniture, fittings and counter fixtures	22,384	10,399	(36)	-	(3)	(13)	(12,825)	(12)	19,894
Motor vehicles	1,042	111	-	-	-	-	(511)	32	674
Motor vehicles under hire purchase and lease	2,708	616	(364)	-	-	-	(855)	106	2,211
Office equipment	5,201	2,961	(110)	-	3	(25)	(2,297)	53	5,786
Plant and machinery	722	154	(82)	-	-	-	(210)	5	589
Renovation	8,086	1,855	-	-	-	(319)	(4,009)	397	6,010
Properties under construction	20,043	-	-	-	(19,943)	-	-	-	100
	113,999	23,983	(592)	66,720	-	(386)	(21,905)	1,510	183,329

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

(CONTINUED)

7. PROPERTY, PLANT AND EQUIPMENT (continued)

Group	At 30.6.2015			
	Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment RM'000	Carrying amount RM'000
Freehold land	3,002	-	-	3,002
Leasehold land	3,659	(163)	-	3,496
Buildings on freehold land	133,173	(9,270)	(276)	123,627
Buildings on long term leasehold land	22,460	(2,487)	(2,457)	17,516
Electrical installations	1,306	(882)	-	424
Furniture, fittings and counter fixtures	83,997	(64,072)	(31)	19,894
Motor vehicles	2,312	(1,638)	-	674
Motor vehicles under hire purchase and lease	8,292	(6,081)	-	2,211
Office equipment	21,969	(16,167)	(16)	5,786
Plant and machinery	3,268	(2,666)	(13)	589
Plant and machinery under hire purchase and lease	98	(98)	-	-
Renovation	21,773	(15,763)	-	6,010
Properties under construction	100	-	-	100
	305,409	(119,287)	(2,793)	183,329

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

7. PROPERTY, PLANT AND EQUIPMENT (continued)

Company	Balance as at 1.7.2015 RM'000	Additions RM'000	Disposals RM'000	Depreciation charge for the financial year RM'000	Balance as at 30.6.2016 RM'000
Carrying amount					
Freehold land	2,530	-	-	-	2,530
Buildings on freehold land	11,475	-	-	(341)	11,134
Motor vehicles under hire purchase and lease	149	-	-	(86)	63
Office equipment	52	17	(5)	(22)	42
Renovation	113	-	-	(80)	33
	14,319	17	(5)	(529)	13,802

← At 30.6.2016 →

	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Freehold land	2,530	-	2,530
Buildings on freehold land	17,080	(5,946)	11,134
Furniture, fixtures and fittings	60	(60)	-
Motor vehicles	7	(7)	-
Motor vehicles under hire purchase and lease	425	(362)	63
Office equipment	264	(222)	42
Renovation	534	(501)	33
	20,900	(7,098)	13,802

Company	Balance as at 1.7.2014 RM'000	Additions RM'000	Depreciation charge for the financial year RM'000	Balance as at 30.6.2015 RM'000
Carrying amount				
Freehold land	2,530	-	-	2,530
Buildings on freehold land	11,817	-	(342)	11,475
Motor vehicles under hire purchase and lease	234	-	(85)	149
Office equipment	71	11	(30)	52
Renovation	192	-	(79)	113
	14,844	11	(536)	14,319

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

7. PROPERTY, PLANT AND EQUIPMENT (continued)

Company	← At 30.6.2015 →		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Freehold land	2,530	-	2,530
Buildings on freehold land	17,080	(5,605)	11,475
Electrical installations	75	(75)	-
Furniture, fixtures and fittings	351	(351)	-
Motor vehicles	7	(7)	-
Motor vehicles under hire purchase and lease	1,281	(1,132)	149
Office equipment	338	(286)	52
Renovation	1,099	(986)	113
	22,761	(8,442)	14,319

(a) During the financial year, the Group and the Company made the following cash payments to purchase property, plant and equipment:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Purchase of property, plant and equipment	38,807	23,983	17	11
Unsettled and remained as other payables	(7,425)	(1,706)	-	-
Financed by hire purchase and lease arrangements	-	(526)	-	-
Financed by term loans	(3,592)	(1,401)	-	-
Provision for restoration costs capitalised (Note 23)	(347)	(543)	-	-
Cash payments on purchase of property, plant and equipment	27,443	19,807	17	11

(b) The carrying amount of the property, plant and equipment of the Group and of the Company under hire purchase and lease arrangements at the end of the reporting period are as follows:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Motor vehicles	1,142	2,211	63	149

Details of the terms and conditions of the hire purchase and lease arrangements are disclosed in Notes 21 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

7. PROPERTY, PLANT AND EQUIPMENT (continued)

- (c) As at the end of the reporting period, the carrying amount of property, plant and equipment pledged as securities for banking facilities granted to the Group and the Company as disclosed in Note 20(a) and Note 22 to the financial statements are as follows:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Freehold land	2,950	2,950	2,530	2,530
Leasehold land	2,806	2,809	-	-
Buildings on freehold land	113,124	113,085	11,134	11,475
Buildings on long term leasehold land	5,912	6,026	-	-
Furniture, fixtures and fittings	339	795	-	-
Others	245	121	-	-
	125,376	125,786	13,664	14,005

- (d) During the financial year 2016, borrowing costs associated with properties under construction of the Group of RM440,103 (2015: RM205,190) were being capitalised.
- (e) As at the end of the reporting period, the title deeds for freehold land and buildings, leasehold land and buildings of the subsidiaries with carrying amounts of RM1,106,000 (2015: RM6,424,600) are in the process of being transferred and registered in the name of the subsidiaries.

8. INVESTMENT PROPERTIES

Group	Balance as at 1.7.2015 RM'000	Additions RM'000	Disposal RM'000	Transfer to assets held for sale (Note 17) RM'000	Fair value adjustment RM'000	Balance as at 30.6.2016 RM'000
At fair value						
Freehold land, shoplots and clubhouse	31,626	98	(985)	(1,700)	(1,541)	27,498
Long term leasehold land and shoplots	6,418	-	-	-	(1,115)	5,303
	38,044	98	(985)	(1,700)	(2,656)	32,801

Group	Balance as at 1.7.2014 RM'000	Additions RM'000	Transfer to property, plant and equipment (Note 7) RM'000	Fair value adjustment RM'000	Balance as at 30.6.2015 RM'000
At fair value					
Freehold land, shoplots and clubhouse	31,210	-	-	416	31,626
Long term leasehold land and shoplots	6,168	-	-	250	6,418
	37,378	-	-	666	38,044
At cost					
Properties under construction	61,415	5,305	(66,720)	-	-
	98,793	5,305	(66,720)	666	38,044

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

8. INVESTMENT PROPERTIES (continued)

- (a) As at the end of reporting period, carrying amount of RM25,168,000 (2015: RM24,965,000) included in investment properties have been pledged as securities for banking facilities granted to the Group as disclosed in Note 22 to the financial statements.
- (b) As at the end of reporting period, rental income of the Group derived from the investment properties amounted to RM924,000 (2015: RM1,106,000).
- (c) During the financial year, the Group made the following cash payments to purchase investment properties:

	Group	
	2016 RM'000	2015 RM'000
Purchase of investment properties	98	5,305
Financed by term loans	-	(4,222)
Cash payments on purchase of investment properties	98	1,083

- (d) Direct operating expenses arising from investment properties generating rental income during the financial year are as follows:

	Group	
	2016 RM'000	2015 RM'000
Repairs and maintenance	12	13
Quit rent and assessment	44	42

- (e) The fair value of investment properties of the Group are categorised as follows:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2016				
Freehold land, shoplots and clubhouse	-	-	27,498	27,498
Long term leasehold land and shoplots	-	-	5,303	5,303
	-	-	32,801	32,801
2015				
Freehold land, shoplots and clubhouse	-	-	31,626	31,626
Long term leasehold land and shoplots	-	-	6,418	6,418
	-	-	38,044	38,044

- (i) There were no transfers between Level 1 and Level 2 fair value measurements during the financial years ended 30 June 2016 and 30 June 2015.
- (ii) As at 30 June 2016, the valuation of investment properties at Level 3 fair value amounting to RM32,801,000 were recommended by the Directors based on an indicative market value from the valuation exercise carried out on an open market value basis by an external and independent property valuer, First Pacific Valuers Property Consultants Sdn. Bhd., having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, and who is a member of The Institution of Surveyors Malaysia.

The valuations were made based on comparison method that makes reference to recent sales transactions of similar properties in the same locality on a price per square feet basis. Adjustments are then made for differences in location, size, facilities available, market conditions and other factors in order to arrive at a common basis.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

8. INVESTMENT PROPERTIES (continued)

- (e) The fair value of investment properties of the Group are categorised as follows: (continued)
- (iii) The fair value measurements of the investment properties are based on the highest and best use which does not differ from their actual use. The investment properties of the Group are mainly used to generate rental income.
- (f) Interest expense on term loan specifically related to investment properties capitalised within additions of the Group during the previous financial year amounted to RM616,105.
- (g) As at the end of the reporting period, the title deed for investment properties of the subsidiaries with carrying amounts of RM830,000 (2015: RM1,810,000) are in the process of being transferred and registered in the name of the subsidiaries.

9. INTANGIBLE ASSETS

Group	Balance as at 1.7.2015 RM'000	Additions RM'000	Amortisation charge for the financial year RM'000	Translation adjustment RM'000	Balance as at 30.6.2016 RM'000
Carrying amount					
Goodwill	38,359	16,667	-	-	55,026
Trademarks	30,647	8,835	(2,067)	730	38,145
	69,006	25,502	(2,067)	730	93,171

← At 30.6.2016 →

Group	Cost RM'000	Accumulated amortisation RM'000	Accumulated impairment RM'000	Carrying amount RM'000
Goodwill	60,767	-	(5,741)	55,026
Trademarks	50,768	(12,623)	-	38,145
	111,535	(12,623)	(5,741)	93,171

Group	Balance as at 1.7.2014 RM'000	Additions RM'000	Amortisation charge for the financial year RM'000	Translation adjustment RM'000	Balance as at 30.6.2015 RM'000
Carrying amount					
Goodwill	38,359	-	-	-	38,359
Trademarks	30,209	50	(512)	900	30,647
	68,568	50	(512)	900	69,006

← At 30.6.2015 →

Group	Cost RM'000	Accumulated amortisation RM'000	Accumulated impairment RM'000	Carrying amount RM'000
Goodwill	44,100	-	(5,741)	38,359
Trademarks	40,816	(10,169)	-	30,647
	84,916	(10,169)	(5,741)	69,006

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

9. INTANGIBLE ASSETS (continued)

(a) Goodwill

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating unit (“CGU”) that is expected to benefit from the business combination. The carrying amount of goodwill of RM55,026,000 had been allocated mainly to the retailing division as an independent CGU.

Goodwill is tested for impairment on an annual basis by comparing the carrying amount with the recoverable amount. As the Directors are of the opinion that all the CGU are held on a long-term basis, the value-in-use would best reflect its recoverable amount. The value-in-use is determined by discounting future cash flows over a three (3) year period. The future cash flows are based on management’s business plan, which is the best estimate of future performance. The ability to achieve the business plan targets is a key assumption in determining the recoverable amount for each CGU.

There remains a risk that the ability to achieve management’s business plan will be adversely affected due to unforeseen changes in the respective economies in which the CGU operate and/or global economic conditions. Hence, in computing the value-in-use for each CGU, the management has applied a discount rate of 6.1% (2015: 8.1%) and growth rates of 5.0% to 10.0% (2015: 7.0% to 13.0%) per annum depending on the products, markets and business plans of the subsidiaries.

The following describes each key assumption on which the management has based its cash flow projections for the purposes of the impairment test for goodwill:

- (i) The discount rate was estimated based on the weighted average cost of capital of the Group.
- (ii) Growth rates used are based on historical trends of each segment taking into account industry outlook for that segment.
- (iii) The profit margin applied to the projections are based on the historical profit margin trend for the individual CGU.

With regard to the assessment of value-in-use of the goodwill, the management believes that no reasonably possible change in any of the above key assumption would cause the carrying values of the CGU to materially exceed their recoverable amounts.

(b) Trademarks

During the financial year 2016, included in the additions of trademarks is a trademark amounting to RM8,818,000 which represents the rights of using “Braun Buffel” trademark in various countries worldwide (“BB Global Trademark”). The BB Global Trademark has an indefinite useful life.

As at 30 June 2016, the BB Global Trademark was tested for impairment. The recoverable amount of the BB Global Trademark was determined based on a value-in-use calculation. The 14-year cash flow forecast and projection (from year 2016 to year 2030) used in the calculation was based on the following key assumptions:

- (i) The discount rate was estimated based on the subsidiary’s weighted average cost of capital of 10.5%.
- (ii) Growth rate of 1.0% to 2.0% were used based on historical trend of royalty income received.

Based on the assessment, no impairment is required.

With regard to the assessment of value-in-use of the trademark, the management believes that no reasonably possible change in any of the above key assumption would cause the carrying values to materially exceed its recoverable amount.

Other trademarks with finite useful life mainly represent the “Braun Buffel” trademark in Asia Pacific Region and the registration cost of Bonia, Sembonia and Carlo Rino brands.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

10. INVESTMENTS IN SUBSIDIARIES

	Company	
	2016 RM'000	2015 RM'000
Unquoted shares - at cost	155,113	153,213
Less: Impairment losses	(8,988)	(3,823)
	146,125	149,390

(a) The details of the subsidiaries are as follows:

Name of company	Country of incorporation	Effective interest in equity		Principal activities
		2016 %	2015 %	
Subsidiaries of Bonia Corporation Berhad				
CB Marketing Sdn. Bhd.	Malaysia	100	100	Designing, promoting and marketing of fashionable leather goods
CB Holdings (Malaysia) Sdn. Bhd.	Malaysia	100	100	Property investment and management services
Ataly Industries Sdn. Bhd.	Malaysia	100	100	Property investment
Luxury Parade Sdn. Bhd.	Malaysia	100	100	Property investment
Eclat World Sdn. Bhd.	Malaysia	100	100	Designing, promoting and marketing of fashionable men's footwear
CB Franchising Sdn. Bhd.	Malaysia	100	100	Retailing of leather goods and apparels
BCB Properties Sdn. Bhd.	Malaysia	100	100	Property development
Long Bow Manufacturing Sdn. Bhd.	Malaysia	100	100	Manufacturing and marketing of leather goods
De Marts Marketing Sdn. Bhd.	Malaysia	100	100	Designing, promoting and marketing of fashionable ladies' footwear
Mcore Sdn. Bhd. ("Mcore")	Malaysia	60	60	Marketing and distribution of fashionable leather goods
Future Classic Sdn. Bhd.	Malaysia	100	100	Designing, promoting and marketing of fashionable goods
Daily Frontier Sdn. Bhd. ("DFSB")	Malaysia	100	100	Marketing, distribution and export of fashionable goods and accessories
Armani Context Sdn. Bhd.	Malaysia	100	100	Interior design, advertising and promotion
Banyan Sutera Sdn. Bhd.	Malaysia	100	100	Marketing and distribution of fashionable goods
Active World Pte. Ltd. ⁽¹⁾	Singapore	100	100	Wholesaling and retailing of fashionable leather goods and apparels
Kin Sheng Group Limited ("KSGL") ⁽¹⁾	Hong Kong	100	100	Investment holding
Dominion Directions Sdn. Bhd. ("DDSB")	Malaysia	100	100	Marketing and distribution of men's apparel and accessories
CRG Incorporated Sdn. Bhd. ("CRG")	Malaysia	100	100	Investment holding and management services
Mcolours & Design Sdn. Bhd. ("MCD")	Malaysia	-	100	Product design, research and development

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

10. INVESTMENTS IN SUBSIDIARIES (continued)

(a) The details of the subsidiaries are as follows (continued):

Name of company	Country of incorporation	Effective interest in equity		Principal activities
		2016 %	2015 %	
Subsidiaries of Bonia Corporation Berhad (continued)				
Scarpa Marketing Sdn. Bhd. ("Scarpa")	Malaysia	100	100	Wholesaling, retailing and marketing of fashionable ladies' footwear
Alpha Footwear Sdn. Bhd.	Malaysia	100	100	Marketing, retailing and distribution of men's and ladies' footwear
Jeco (Pte) Limited ("Jeco") ⁽¹⁾	Singapore	70	70	Intellectual property management
Vista Assets Sdn. Bhd.	Malaysia	100	100	Marketing and distribution of fashionable goods
FR Gallery Sdn. Bhd.	Malaysia	100	100	Managing food and beverage services
LBJR Marketing Sdn. Bhd. ("LBJR")	Malaysia	100	100	Marketing and distribution of fashionable goods and accessories
SBG Holdings Sdn. Bhd.	Malaysia	100	100	Investment holding and management services
Maha Asia Capital Sdn. Bhd. ("MAC")	Malaysia	100	100	Property investment
Podium Retail Sdn. Bhd. ("PRSB")	Malaysia	100	100	Marketing and distribution of fashionable goods, accessories and beauty products
Subsidiaries of DDSB				
VR Directions Sdn. Bhd. ("VRD")	Malaysia	75	75	Marketing and distribution of men's apparels and accessories, and ladies' apparels
SB Directions Sdn. Bhd.	Malaysia	100	100	Marketing and distribution of fashionable accessories
Galaxy Hallmark Sdn. Bhd.	Malaysia	100	100	Marketing and distribution of men's apparels and accessories
New Series Sdn. Bhd. ("NSSB")	Malaysia	90	90	Marketing and distribution of men's apparels
Subsidiary of Banyan Sutera Sdn. Bhd.				
PT Banyan Cemerlang ⁽²⁾	Indonesia	100	100	Wholesaling of fashionable goods and accessories
Subsidiaries of CRG Incorporated Sdn. Bhd.				
CR Boutique Sdn. Bhd.	Malaysia	100	100	Retailing of leather goods and apparels
CRF Marketing Sdn. Bhd.	Malaysia	100	100	Designing, promoting and marketing of fashionable ladies' footwear
CRL Marketing Sdn. Bhd.	Malaysia	100	100	Designing, promoting and marketing of fashionable leather goods
CRI Sdn. Bhd.	Malaysia	100	100	Manufacturing and marketing of fashionable goods

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

10. INVESTMENTS IN SUBSIDIARIES (continued)

(a) The details of the subsidiaries are as follows (continued):

Name of company	Country of incorporation	Effective interest in equity		Principal activities
		2016 %	2015 %	
Subsidiaries of CRG Incorporated Sdn. Bhd. (continued)				
CRV Sdn. Bhd. ("CRV")	Malaysia	100	100	Marketing and distribution of fashionable goods and accessories
CRG Viet Nam Company Limited ("CRGV") ⁽²⁾	Vietnam	99	99	Real estate activities with own or leased property
PT CRI Mitra Sejati ("PTCMS") ⁽⁵⁾	Indonesia	100	-	Wholesaling fashionable goods and accessories
Subsidiaries of SBG Holdings Sdn. Bhd.				
SBL Marketing Sdn. Bhd.	Malaysia	100	100	Designing, promoting and marketing of fashionable leather goods
SBFW Marketing Sdn. Bhd.	Malaysia	100	100	Designing, promoting and marketing of fashionable ladies' footwear
SB Boutique Sdn. Bhd.	Malaysia	100	100	Retailing of leather goods and apparels
SB International Sdn. Bhd.	Malaysia	100	100	Marketing and distribution of fashionable goods and accessories
SBA Marketing Sdn. Bhd.	Malaysia	100	100	Marketing and distribution of fashionable goods and accessories
SBM Marketing Sdn. Bhd.	Malaysia	100	100	Designing, promoting and marketing of fashionable men's footwear
Subsidiary of BCB Properties Sdn. Bhd.				
Apex Marble Sdn. Bhd. ("AMSB")	Malaysia	60	60	Marketing and distribution of fashionable goods
Subsidiary of Daily Frontier Sdn. Bhd.				
Daily Frontier (Vietnam) Company Limited ⁽¹⁾	Vietnam	100	100	Wholesaling, retailing, importing and exporting of fashionable products, accessories and cosmetics
Bonia Italia Srl ("BIS") ⁽⁴⁾	Italy	100	100	In voluntary liquidation
Subsidiaries of Active World Pte. Ltd.				
Jetbest Enterprise Pte. Ltd. ⁽¹⁾	Singapore	100	100	Wholesaling, retailing, importing and exporting of leather goods and accessories
SCRL Pte. Ltd. ⁽¹⁾	Singapore	100	100	Wholesaling, retailing and marketing of fashionable footwear, carrywear and accessories

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

10. INVESTMENTS IN SUBSIDIARIES (continued)

(a) The details of the subsidiaries are as follows (continued):

Name of company	Country of incorporation	Effective interest in equity		Principal activities
		2016 %	2015 %	
Subsidiaries of Active World Pte. Ltd. (continued)				
SBLS Pte. Ltd. ⁽¹⁾	Singapore	100	100	Wholesaling, retailing and marketing of fashionable footwear, carrywear and accessories
Active Franchise Pte. Ltd. ⁽¹⁾	Singapore	100	100	General wholesale trade including general importers and exporters
Active Footwear Pte. Ltd. ⁽¹⁾	Singapore	100	100	Marketing, retailing and distribution of fashionable footwear
Bruno Magli South East Asia Pte. Ltd. ⁽¹⁾	Singapore	70	70	Wholesaling, retailing and marketing of leather goods, footwear, and accessories
PT Active World ⁽²⁾	Indonesia	100	100	Investment holding
Subsidiaries of Kin Sheng Group Limited				
Guangzhou Jia Li Bao Leather Fashion Co. Ltd. ("GJLB") ⁽³⁾	China	-	100	Dissolved
Kin Sheng International Trading Co. Limited ⁽¹⁾	Hong Kong	100	100	General trading and marketing of fashionable goods
Subsidiaries of Jeco (Pte) Limited				
Lianbee-Jeco Pte. Ltd. ("LJPL") ⁽¹⁾	Singapore	70	70	Retailing, importing and exporting leather goods and general merchandise
Lianbee-Jeco (M) Sdn. Bhd.	Malaysia	70	70	Trading in leather products
BB Global Holdings Pte. Ltd. ("BBGH") ⁽¹⁾	Singapore	35.7	-	Intellectual property management company
IBB Pte. Ltd. ("IBB") ⁽¹⁾	Singapore	70	-	General wholesale trade
PT Jeco Investment Indonesia ("PTJII") ⁽¹⁾	Indonesia	70	-	Property investment

(1) Subsidiaries audited by BDO Member Firms.

(2) Subsidiaries audited by firms of auditors other than BDO.

(3) Audited financial statements is not available as the subsidiary was dissolved during the financial year 2016.

(4) Audited financial statements is not available as the subsidiary was dissolved on 21 July 2016.

(5) Auditors are yet to be appointed as the subsidiary was newly incorporated during the financial year 2016.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

10. INVESTMENTS IN SUBSIDIARIES (continued)

(b) During the financial year ended 30 June 2016:

- (i) On 16 July 2015, BBGH became an indirect subsidiary of the Company via Jeco's subscription of 51% equity interest in BBGH for SGD51.
- (ii) On 29 January 2016, IBB emerged as an indirect subsidiary of the Company following Jeco's acquisition of 100% equity interest (representing 100 ordinary shares of SGD1 each) in IBB, from Helgo Neugebauer ("HNB") at a total cash consideration of SGD6,000,000 on deferred basis.

Further details are disclosed in Note 35(a) to the financial statements.

- (iii) On 4 February 2016, Jeco and LJPL had incorporated PTJII with its intended business activity to engage in the investment of real estate. Jeco is holding 99% of the issued and paid-up capital of PTJII of IDR2,475,000,000 and the remaining 1% equity interest in PTJII of IDR25,000,000 is held by LPJL.
- (iv) On 31 March 2016, MCD ceased as a wholly-owned direct subsidiary of the Company following the disposal of the Company's 100% equity interest (representing 100,000 ordinary shares of RM1.00 each) in MCD, to unrelated parties for a total consideration of RM60,000.

Further details are disclosed in Note 35(b) to the financial statements.

- (v) On 12 April 2016, CRG and CRV had incorporated PTCMS with its intended business activities to engage in the field of wholesale of textile goods, clothing, complementary accessories, footwear, cosmetics, watches, bags and wallets. CRG holds 99.50% of the issued and paid-up capital of PTCMS of IDR2,596,552,000 and the remaining 0.50% equity interest in PTCMS of IDR13,048,000 is held by CRV.
- (vi) The dissolution of KSGL's then wholly-owned subsidiary, namely GJLB was completed.
- (vii) LBJR increased its issued and paid-up capital through a capitalisation of part of the outstanding amount of RM1,999,990 owing to the Company as at 30 September 2015 and the same be applied for an allotment and issuance of 1,999,990 ordinary shares of RM1.00 each credited as fully paid in the share capital of LBJR to the Company.
- (viii) Impairment losses on investments in subsidiaries amounting to RM665,000 and RM4,500,000 relating to investments in Scarpa and LBJR respectively, have been recognised due to their recoverable amounts being lower than their carrying amounts as a result of declining business operations.

(c) In the previous financial year:

- (i) CRG, a wholly-owned subsidiary of the Company, had received the Enterprise Registration Certificate of Limited Liability Company With More Than One Member ("Certificate") from the Department of Planning and Investment of Ho Chi Minh City, Vietnam certifying its acquisition of a total of 99% of the contributed capital of CRGV from FHG Company Limited and Le Quang Dung Hanh ("Acquisition") as follows:
 - (i) VND5,880,000,000 representing 98% of the contributed capital in CRGV for a purchase consideration of VND5,880,000,000 from FHG Company Limited; and
 - (ii) VND60,000,000 representing 1% of the contributed capital in CRGV for a purchase consideration of VND60,000,000 from Le Quang Fung Hanh.

With the Acquisition, CRGV became a 99% owned subsidiary of CRG. The remaining 1% equity interest is held by FHG Company Limited, a local Vietnamese company distributing goods under the brand name of "Carlo Rino" in Vietnam.

CRGV was incorporated in Vietnam with a charter capital of VND6,000,000,000. The intended business activity of CRGV is to carry on real estate activities with own or leased property.

- (ii) DFSB, a wholly-owned subsidiary of the Company, had received the electronic archives of the Italian Register of Companies confirming its acquisition of 100% of the quota capital of BIS amounting to EUR2,500 from De Franceschi Gaetano and Matons Augusto Francisco, for an aggregate consideration of EUR1.00 ("Acquisition").

Consequent to the acquisition, BIS became a wholly-owned subsidiary of DFSB. BIS was incorporated in Italy with a nominal quota capital of EUR10,000 and is intended to engage in product development, marketing, promotion and design.

In April 2015, BIS had resolved on its voluntary liquidation pursuant to the Italian Civil Code, and the liquidation process was completed on 21 July 2016.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

10. INVESTMENTS IN SUBSIDIARIES (continued)

(c) In the previous financial year: (continued)

(iii) The dissolution of an indirect wholly-owned subsidiary of the Company, namely Guangzhou Bonia Fashions Co. Ltd. ("GBF") was completed. Prior to the dissolution, GBF was a wholly-owned subsidiary company of KSGI, which in turn was a direct wholly-owned subsidiary of the Company.

(d) There were no material financial effects to the Group and the Company arising from the incorporation and acquisitions of these subsidiaries during the financial year ended 30 June 2016 and financial year ended 30 June 2015.

(e) The subsidiaries of the Group that have material non-controlling interests ("NCI") are as follows:

2016	Mcore	VRD	NSSB	AMSB	Jeco Group	Other individual immaterial subsidiaries	Total
NCI percentage of ownership interest and voting interest	40%	25%	10%	40%	30%	-	-
Carrying amount of NCI (RM'000)	(64)	1,725	53	(99)	19,075	11	20,701
(Loss)/Profit allocated to NCI (RM'000)	(26)	(568)	(35)	(3)	5,779	(1)	5,146
2015							
NCI percentage of ownership interest and voting interest	40%	25%	10%	40%	30%	-	-
Carrying amount of NCI (RM'000)	(38)	2,293	208	(96)	14,422	-	16,789
(Loss)/Profit allocated to NCI (RM'000)	(33)	(35)	12	(3)	5,531	-	5,472

The NCI of all other subsidiaries that are not wholly owned by the Group are deemed to be immaterial.

(f) The summarised financial information before intra-group elimination of the subsidiaries that have material NCI as at the end of each reporting period are as follows:

2016	Mcore RM'000	VRD RM'000	NSSB RM'000	AMSB RM'000	Jeco Group RM'000
Assets and liabilities					
Non-current assets	-	1,557	-	-	78,097
Current assets	10	10,869	536	4	65,335
Non-current liabilities	-	(104)	-	-	(18,757)
Current liabilities	(879)	(5,394)	(5)	(1,291)	(61,350)
Net (liabilities)/assets	(869)	6,928	531	(1,287)	63,325
Results					
Revenue	-	20,788	2,115	-	143,708
(Loss)/Profit for the financial year	(64)	(2,272)	(354)	(8)	19,002
Total comprehensive (loss)/income	(64)	(2,272)	(354)	(8)	21,291
Cash flows (used in)/from operating activities	(64)	(3,063)	1,603	(8)	31,453
Cash flows from/(used in) investing activities	60	1	(318)	10	(7,105)
Cash flows from/(used in) financing activities	-	1,810	(1,333)	-	(18,770)
Net (decrease)/increase in cash and cash equivalents	(4)	(1,252)	(48)	2	5,578
Dividends paid to NCI	-	-	120	-	1,804

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

10. INVESTMENTS IN SUBSIDIARIES (continued)

- (f) The summarised financial information before intra-group elimination of the subsidiaries that have material NCI as at the end of each reporting period are as follows (continued):

2015	Mcore RM'000	VRD RM'000	NSSB RM'000	AMSB RM'000	Jeco Group RM'000
Assets and liabilities					
Non-current assets	-	1,421	285	-	17,047
Current assets	14	13,374	2,081	2	57,442
Non-current liabilities	-	(121)	-	-	(3,096)
Current liabilities	(819)	(5,474)	(281)	(1,281)	(41,013)
Net (liabilities)/assets	(805)	9,200	2,085	(1,279)	30,380
Results					
Revenue	-	22,846	4,513	-	139,777
(Loss)/Profit for the financial year	(83)	(140)	124	(9)	18,436
Total comprehensive (loss)/income	(83)	(140)	124	(9)	17,374
Cash flows (used in)/from operating activities	(82)	(1,635)	223	-	25,101
Cash flows used in investing activities	-	(609)	(115)	(9)	(106)
Cash flows from/(used in) financing activities	20	995	(193)	8	(15,387)
Net (decrease)/increase in cash and cash equivalents	(62)	(1,249)	(85)	(1)	9,608
Dividends paid to NCI	-	25	-	-	3,533

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

11. INTERESTS IN ASSOCIATES

	Group	
	2016 RM'000	2015 RM'000
Unquoted equity shares, at cost	4,894	4,894
Share of post acquisition profit/(losses), net of dividends received	84	(211)
Loan to an associate ⁽¹⁾	4,855	4,855
	9,833	9,538
Less: Impairment losses	(9,441)	(9,441)
	392	97

⁽¹⁾ In the previous financial years, the Group provided a loan to an associate (refer to Note 15(a) to the financial statements) of which the fair value at initial recognition based on prevailing market interest rate was lower than its transaction price. The difference between the transaction price and the fair value of the loan to an associate was recognised as part of the interests in the associates of the Group.

The details of the associates are as follows:

Name of company	Country of incorporation	Effective interest in equity		Principal activities
		2016 %	2015 %	
Associates of Bonia Corporation Berhad				
Makabumi Sdn. Bhd. ("MBSB")	Malaysia	40	40	Dormant
Paris RCG Sdn. Bhd. ("PRCG") ⁽¹⁾	Malaysia	30	30	Managing food and beverage business
Associate of BCB Properties Sdn. Bhd.				
Serene Glow Sdn. Bhd. ("SGSB") ⁽¹⁾	Malaysia	33	33	Property investment and development
Associates of Jeco (Pte) Limited				
Braun Verwaltungs-GmbH ("BVG") ⁽¹⁾	Germany	34	34	Marketing and distribution of fashionable leather goods
Braun GmbH & Co. KG ("BBKG") ⁽¹⁾	Germany	34	34	Marketing and distribution of fashionable leather goods

⁽¹⁾ Associates audited by firms of auditors other than BDO.

All the above associates are accounted for using the equity method in the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

11. INTERESTS IN ASSOCIATES (continued)

(a) The summarised financial information of the associates are as follows:

2016	SGSB RM'000	BVG and BBKG RM'000	PRCG RM'000	MBSB RM'000	Total RM'000
Assets and liabilities					
Current assets	1,495	11,388	1,883	2	14,768
Non-current assets	-	5,906	1,556	-	7,462
Total assets	1,495	17,294	3,439	2	22,230
Liabilities					
Current liabilities	-	8,051	596	208	8,855
Non-current liabilities	1,642	11,243	-	-	12,885
Total liabilities	1,642	19,294	596	208	21,740
Results					
Revenue	-	24,654	8,423	-	33,077
(Loss)/Profit for the financial year	(1,028)	15,914	984	(2)	15,868
2015					
Assets and liabilities					
Current assets	2,577	13,564	1,191	1	17,333
Non-current assets	-	5,993	1,725	-	7,718
Total assets	2,577	19,557	2,916	1	25,051
Liabilities					
Current liabilities	1,642	18,496	1,058	205	21,401
Non-current liabilities	-	17,765	-	-	17,765
Total liabilities	1,642	36,261	1,058	205	39,166
Results					
Revenue	-	27,913	7,587	-	35,500
(Loss)/Profit for the financial year	(1,057)	(4,794)	470	(2)	(5,383)

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

11. INTERESTS IN ASSOCIATES (continued)

(b) The reconciliation of net assets of the associates to the carrying amount of the investments in associates are as follows:

2016	SGSB RM'000	BVG and BBKG RM'000	PRCG RM'000	MBSB RM'000	Total RM'000
Share of net (liabilities)/assets of the Group	(48)	(686)	853	(82)	37
Loan to an associate	-	4,855	-	-	4,855
Goodwill	-	7,276	-	-	7,276
Gain on dilution of interest	-	-	(461)	-	(461)
Unrecognised share of other reserves	-	(2,793)	-	-	(2,793)
Unrecognised share of losses of associates	400	731	-	82	1,213
	400	10,069	(461)	82	10,090
Less: Share by non-controlling interests	-	(294)	-	-	(294)
	400	9,775	(461)	82	9,796
Less: Impairment losses	(352)	(9,089)	-	-	(9,441)
Carrying amount in the statement of financial position	-	-	392	-	392
Share of results of the Group					
Share of profit of the Group	-	-	295	-	295
Share of other comprehensive income of the Group	-	-	-	-	-
Share of total comprehensive income of the Group	-	-	295	-	295
Other information					
Dividend received	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

11. INTERESTS IN ASSOCIATES (continued)

(b) The reconciliation of net assets of the associates to the carrying amount of the investments in associates are as follows (continued):

2015	SGSB RM'000	BVG and BBKG RM'000	PRCG RM'000	MBSB RM'000	Total RM'000
Share of net assets/(liabilities) of the Group	309	(5,730)	558	(82)	(4,945)
Loan to an associate	-	4,855	-	-	4,855
Goodwill	-	7,276	-	-	7,276
Gain on dilution of interest	-	-	(461)	-	(461)
Unrecognised share of other reserves	-	(1,805)	-	-	(1,805)
Unrecognised share of losses of associates	43	6,949	-	82	7,074
	43	17,275	(461)	82	16,939
Less: Share by non-controlling interests	-	(2,456)	-	-	(2,456)
	43	14,819	(461)	82	14,483
	352	9,089	97	-	9,538
Less: Impairment losses	(352)	(9,089)	-	-	(9,441)
Carrying amount in the statement of financial position	-	-	97	-	97
Share of results of the Group					
Share of (loss)/profit of the Group	(306)	-	97	-	(209)
Share of other comprehensive income of the Group	-	-	-	-	-
Share of total comprehensive (loss)/income of the Group	(306)	-	97	-	(209)
Other information					
Dividend received	-	-	-	-	-

(c) During the financial year 2016, the cumulative unrecognised share of losses of associates amounted to RM1,213,000 (2015: RM7,074,000), and the net decrease in unrecognised share of losses amounted to RM5,861,000 (2015: Net increase of RM1,787,000). The Group has stopped recognising its share of losses since there is no further obligation in respect of those losses using the equity method of accounting.

12. OTHER INVESTMENTS

	Group	
	2016 RM'000	2015 RM'000
Non-current assets		
Available-for-sale financial assets		
- Club memberships	1,298	1,137

Information on the fair value hierarchy is disclosed in Note 37(d) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

13. DEFERRED TAX

- (a) The deferred tax assets and liabilities are made up of the following:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Balance as at 1 July 2015/2014	3,892	3,953	8	8
Currency translation differences	(596)	144	-	-
Recognised in profit or loss (Note 30)	1,450	(205)	(11)	-
Balance as at 30 June 2016/2015	4,746	3,892	(3)	8
Presented after appropriate offsetting as follows:				
Deferred tax assets, net	(2,113)	(3,430)	(3)	-
Deferred tax liabilities, net	6,859	7,322	-	8
	4,746	3,892	(3)	8

- (b) The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Deferred tax liabilities of the Group

	Property, plant and equipment RM'000	Intangible assets RM'000	Other taxable temporary differences RM'000	Offsetting RM'000	Total RM'000
At 1 July 2015	2,401	4,883	45	(7)	7,322
Currency translation differences	(596)	-	-	-	(596)
Recognised in profit or loss	225	(244)	223	(71)	133
At 30 June 2016	2,030	4,639	268	(78)	6,859
At 1 July 2014	2,604	5,127	136	(1,201)	6,666
Currency translation differences	173	-	-	-	173
Recognised in profit or loss	(376)	(244)	(91)	1,194	483
At 30 June 2015	2,401	4,883	45	(7)	7,322

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

13. DEFERRED TAX (continued)

- (b) The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows (continued):

Deferred tax assets of the Group

	Property, plant and equipment RM'000	Payables RM'000	Other deductible temporary differences RM'000	Offsetting RM'000	Total RM'000
At 1 July 2015	1,466	1,244	727	(7)	3,430
Recognised in profit or loss	(516)	(811)	81	(71)	(1,317)
At 30 June 2016	950	433	808	(78)	2,113
At 1 July 2014	830	2,079	1,005	(1,201)	2,713
Currency translation differences	-	-	29	-	29
Recognised in profit or loss	636	(835)	(307)	1,194	688
At 30 June 2015	1,466	1,244	727	(7)	3,430

Deferred tax liabilities of the Company

	Property, plant and equipment RM'000	Offsetting RM'000	Total RM'000
At 1 July 2015	15	(7)	8
Recognised in profit or loss	(15)	7	(8)
At 30 June 2016	-	-	-
At 1 July 2014	16	(8)	8
Recognised in profit or loss	(1)	1	-
At 30 June 2015	15	(7)	8

Deferred tax assets of the Company

	Other deductible temporary differences RM'000	Offsetting RM'000	Total RM'000
At 1 July 2015	7	(7)	-
Recognised in profit or loss	(4)	7	3
At 30 June 2016	3	-	3
At 1 July 2014	8	(8)	-
Recognised in profit or loss	(1)	1	-
At 30 June 2015	7	(7)	-

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

13. DEFERRED TAX (continued)

- (c) The amount of temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows:]

	Group	
	2016 RM'000	2015 RM'000
Unused tax losses	29,677	23,262
Unabsorbed capital allowances	8,649	4,844
Other taxable temporary differences	(791)	(750)
	37,535	27,356

Deferred tax assets of certain subsidiaries have not been recognised in respect of these items as it is not probable that future taxable profits of the subsidiaries would be available against which the deductible temporary differences could be utilised.

The deductible temporary differences do not expire under current tax legislation.

14. INVENTORIES

	Group	
	2016 RM'000	2015 RM'000
At cost		
Raw materials	6,564	7,930
Work-in-progress	1,889	1,618
Finished goods	140,820	143,844
Consumables	153	131
	149,426	153,523

During the financial year 2016, inventories of the Group recognised as cost of sales amounted to RM299,252,000 (2015: RM284,520,000), and the Group has written off inventories amounted to RM77,000 (2015: RM440,000).

15. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Non-current assets				
Other receivables				
Third parties	15,412	-	-	-
Loan to an associate	5,400	5,065	-	-
	20,812	5,065	-	-
Less: Impairment losses				
- third parties	(4,607)	-	-	-
- associate	(5,400)	(5,065)	-	-
	(10,007)	(5,065)	-	-
Loans and receivables	10,805	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

15. TRADE AND OTHER RECEIVABLES (continued)

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Current assets				
Trade receivables				
Third parties	80,695	93,828	-	-
Associate	212	67	-	-
	80,907	93,895	-	-
Less: Impairment losses				
- third parties	(4,582)	(3,233)	-	-
	76,325	90,662	-	-
Other receivables and deposits				
Amounts owing by subsidiaries	-	-	110,135	100,714
Amounts owing by associates	2,910	2,063	206	204
Loan to an associate	299	4,122	-	-
Other receivables	7,854	8,973	42	-
Deposits	17,388	17,747	9	9
	28,451	32,905	110,392	100,927
Less: Impairment losses				
- subsidiaries	-	-	(26,354)	(25,129)
- associates	(3,209)	(6,185)	(206)	(204)
- deposits	(100)	(100)	-	-
	(3,309)	(6,285)	(26,560)	(25,333)
	25,142	26,620	83,832	75,594
Loans and receivables	101,467	117,282	83,832	75,594
Prepayments	10,252	16,585	-	-
	111,719	133,867	83,832	75,594

- (a) The loan to an associate, Braun GmbH & Co. KG, is unsecured and has a fixed term of 20 years. The loan is repayable over 20 annual instalments commencing from 2012 with a lump sum repayment upon expiry of the loan. Interest rate is fixed at 3.0% (2015: 3.0%) per annum. Its fair value at initial recognition was computed based on cash flows discounted at a market borrowing rate at 7.5% per annum as disclosed in Note 11 to the financial statements.

As at 30 June 2016, loan to the associate of RM5,699,000 (2015: RM9,187,000) and amount owing by the associate of RM2,910,000 (2015: RM2,063,000) were fully impaired due to the associate's deficit in total equity position.

- (b) Included in the amounts owing from third parties is an amount owing from an exclusive authorised dealer of "Braun Buffel" brand of RM10,734,000. The amount receivable from the exclusive authorised dealer is with interest rate of 18% per annum and is not due within the next twelve (12) months.
- (c) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group range from 30 to 120 days (2015: 30 to 120 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.
- (d) Non-trade amounts owing by subsidiaries represent advances and payments made on behalf, which are unsecured, interest-free and payable upon on demand in cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

15. TRADE AND OTHER RECEIVABLES (continued)

- (e) Non-trade amounts owing by associates represent advances and payments made on behalf, which are unsecured, interest-free and payable upon on demand in cash and cash equivalents.
- (f) Information on the financial risk of trade and other receivables is disclosed in Note 38 to the financial statements.
- (g) The currency exposure profile of receivables (excluding prepayments) are as follows:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Ringgit Malaysia	62,278	70,017	83,832	75,594
Chinese Renminbi	-	173	-	-
Hong Kong Dollar	1,178	4,341	-	-
Singapore Dollar	20,719	25,134	-	-
U.S. Dollar	4,530	8,693	-	-
Vietnamese Dong	5,018	3,617	-	-
Indonesia Rupiah	18,252	5,253	-	-
Others	297	54	-	-
	112,272	117,282	83,832	75,594

- (h) The ageing analysis of trade receivables of the Group are as follows:

	Group	
	2016 RM'000	2015 RM'000
Neither past due nor impaired	15,439	58,335
Past due, not impaired		
1 to 30 days	33,695	5,447
31 to 60 days	10,629	17,687
61 to 90 days	3,647	6,842
More than 90 days	12,915	2,351
	60,886	32,327
Past due and impaired	4,582	3,233
	80,907	93,895

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

None of the trade receivables of the Group that are neither past due nor impaired have been renegotiated during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

15. TRADE AND OTHER RECEIVABLES (continued)

- (h) The ageing analysis of trade receivables of the Group are as follows (continued):

Receivables that are past due but not impaired

Trade receivables that are past due but not impaired mainly arose from customers where the Group has healthy business relationship with, whereby the management is of the opinion that the amounts are recoverable based on past payments history.

The trade receivables of the Group that are past due but not impaired are unsecured in nature.

Receivables that are past due and impaired

Trade receivables of the Group that are past due and impaired at the end of each reporting period are as follows:

	Individually impaired	
	2016 RM'000	2015 RM'000
Trade receivables, gross	4,582	3,233
Less: Impairment losses	(4,582)	(3,233)
	-	-

- (i) The reconciliation of movements in the impairment loss is as follows:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Trade receivables				
At 1 July	3,233	3,233	-	-
Charge for the financial year (Note 29)	1,369	-	-	-
Exchange differences	(20)	-	-	-
At 30 June	4,582	3,233	-	-
Other receivables				
At 1 July	11,350	8,961	25,333	26,238
Charge for the financial year (Note 29)	5,318	1,556	1,227	635
Reversal of impairment losses (Note 29)	(4,045)	-	-	(1,540)
Exchange differences	693	833	-	-
At 30 June	13,316	11,350	26,560	25,333
	17,898	14,583	26,560	25,333

Trade receivables that are individually determined to be impaired at the end of each reporting period relate to those debtors that exhibit significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

16. CASH AND BANK BALANCES

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Cash and bank balances	100,457	68,757	2,959	1,110
Deposits with licensed banks	2,702	10,018	-	-
	103,159	78,775	2,959	1,110

- (a) Included in the deposits with licensed banks of the Group is an amount of RM871,000 (2015: RM818,000) pledged to licensed banks as securities for banking facilities granted to certain subsidiaries as disclosed in Note 20 to the financial statements.
- (b) Information on financial risks of cash and bank balances is disclosed in Note 38 to the financial statements.
- (c) The currency exposure profile of cash and bank balances are as follows:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Ringgit Malaysia	57,967	47,161	2,955	1,107
Chinese Renminbi	604	758	-	-
Hong Kong Dollar	1,087	1,384	-	-
Indonesia Rupiah	4,242	405	-	-
Singapore Dollar	26,998	17,063	-	-
U.S. Dollar	10,045	8,726	4	3
Vietnamese Dong	2,072	3,167	-	-
Others	144	111	-	-
	103,159	78,775	2,959	1,110

- (d) For the purpose of statements of cash flows, cash and cash equivalents comprise the following as at the end of each reporting period:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Cash and bank balances	100,457	68,757	2,959	1,110
Deposits with licensed banks (not more than three (3) months)	2,702	10,018	-	-
	103,159	78,775	2,959	1,110
Less: Bank overdrafts included in borrowings (Note 20)	(4,087)	(6,278)	-	-
Less: Deposits pledged to licensed banks	(871)	(818)	-	-
	98,201	71,679	2,959	1,110

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

17. ASSETS CLASSIFIED AS HELD FOR SALE

Certain property, plant and equipment and investment property are presented as non-current asset held for sale following the sale and purchase agreements entered by the Group with purchasers during the financial year. The sales had been completed subsequent to financial year ended 30 June 2016. As at the end of the reporting period, the assets are as follows:

	Group 2016 RM'000
Assets classified as held for sale	
Property, plant and equipment (Note 7)	2,436
Investment property (Note 8)	1,700
	4,136

The carrying amount of property, plant and equipment held for sale is the same as its carrying amount before it was reclassified to current assets.

18. SHARE CAPITAL

	Company			
	2016 Number of shares '000	RM'000	2015 Number of shares '000	RM'000
Authorised:				
Balance as at 1 July				
Ordinary shares of RM0.50 each	-	-	500,000	250,000
Ordinary share split, into RM0.25 each	-	-	500,000	-
Ordinary shares of RM0.25 each	1,000,000	250,000	-	-
Balance as at 30 June	1,000,000	250,000	1,000,000	250,000
Issued and fully paid				
Balance as at 1 July				
Ordinary shares of RM0.50 each	-	-	201,571	100,786
Issued pursuant to Bonus				
Issue on the basis of 1:1	-	-	201,572	100,786
Share Split, into RM0.25 each	-	-	403,144	-
Ordinary shares of RM0.25 each	806,287	201,572	-	-
Balance as at 30 June	806,287	201,572	806,287	201,572

In previous financial year, the Company implemented a bonus issue of 201,571,850 new ordinary shares of RM0.50 each ("Bonus Shares") on the basis of one (1) new ordinary share for every one (1) then existing ordinary share held in the Company ("Bonus Issue") through the capitalisation of RM100,785,925 from the Company's share premium and retained earnings available based on its audited proforma statement of reserves as at 30 June 2013 and unaudited proforma statement of reserves as at 31 March 2014.

Concurrently, the Company implemented a share split involving a subdivision of every one (1) Bonia Shares of RM0.50 each (then existing and Bonus Shares) into two (2) ordinary shares of RM0.25 each. Pursuant to the share split, 403,143,700 ordinary shares of RM0.50 each of the Company were subdivided into 806,287,400 ordinary shares of RM0.25 each ("Share Split").

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

18. SHARE CAPITAL (continued)

Accordingly, the authorised share capital of the Company was subdivided from RM250,000,000 comprising 500,000,000 ordinary shares of RM0.50 each to RM250,000,000 comprising 1,000,000,000 ordinary shares of RM0.25 each to facilitate the implementation of the Share Split.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at general meeting of the Company as prescribed in the Articles of Association of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

19. RESERVES

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Non-distributable				
Available-for-sale reserve	(37)	(12)	-	-
Exchange translation reserve	7,715	3,745	-	-
	7,678	3,733	-	-
Distributable				
Retained earnings	196,984	182,211	8,193	9,156
	204,662	185,944	8,193	9,156

(a) Available-for-sale reserve

The reserve arose from gains or losses of financial assets classified as available-for-sale.

(b) Exchange translation reserve

The exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the presentation currency of the Group. It is also used to record the exchange differences arising from monetary items which form part of the net investment of the Group in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

(c) Treasury shares

In the previous financial year, 507,000 treasury shares held as at the end of the financial year 2014, were resold to the market. The total consideration received was RM2,712,151 (net of transaction costs of RM9,722) at an average price of RM5.37 per ordinary share.

No purchase, resale or cancellation of the Company's own shares was carried out under the Shareholders' Authorisation 2015 during the financial year 2016.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

20. BORROWINGS

	Note	Group		Company	
		2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Current liabilities					
Conventional financing facilities - Secured					
Bank overdrafts		386	543	-	-
Bankers' acceptances		6,665	454	-	-
Hire purchase and lease creditors	21	298	718	62	72
Term loans	22	14,525	7,930	2,500	2,500
		21,874	9,645	2,562	2,572
Islamic financing facilities - Secured					
Bank overdrafts		488	-	-	-
Bankers' acceptances		2,476	-	-	-
Term financing-i	22	2,980	949	-	-
		5,944	949	-	-
Total secured borrowings		27,818	10,594	2,562	2,572
Conventional financing facilities - Unsecured					
Bank overdrafts		1,509	3,488	-	-
Bankers' acceptances		6,110	12,146	-	-
Trust receipts		7,923	9,153	-	-
Term loans	22	560	2,102	-	-
		16,102	26,889	-	-
Islamic financing facilities - Unsecured					
Bank overdrafts		1,704	2,247	-	-
Bankers' acceptances		2,715	3,268	-	-
		4,419	5,515	-	-
Total unsecured borrowings		20,521	32,404	-	-
Total		48,339	42,998	2,562	2,572

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

20. BORROWINGS (continued)

	Note	Group		Company	
		2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Non-current liabilities					
Conventional financing facilities - Secured					
Hire purchase and lease creditors	21	295	694	-	62
Term loans	22	72,309	72,164	7,188	9,687
		72,604	72,858	7,188	9,749
Islamic financing facilities - Secured					
Term financing-i	22	33,718	26,704	10,000	-
Total secured borrowings		106,322	99,562	17,188	9,749
Conventional financing facilities - Unsecured					
Term loans	22	-	526	-	-
Total		106,322	100,088	17,188	9,749
Total borrowings					
Bank overdrafts	16(d)	4,087	6,278	-	-
Bankers' acceptances		17,966	15,868	-	-
Hire purchase and lease creditors	21	593	1,412	62	134
Term loans and term financing-i	22	124,092	110,375	19,688	12,187
Trust receipts		7,923	9,153	-	-
		154,661	143,086	19,750	12,321

(a) Certain bank overdrafts and bankers' acceptances of the Group are secured by the following:

- (i) first fixed charges over certain freehold and long term leasehold land and buildings of the Company and its subsidiaries as disclosed in Note 7 to the financial statements; and
- (ii) fixed deposits of its subsidiaries as disclosed in Note 16 to the financial statements.

(b) The currency exposure profile of borrowings are as follows:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Ringgit Malaysia	129,429	124,499	19,750	12,321
Singapore Dollar	20,479	14,990	-	-
U.S. Dollar	2,915	3,597	-	-
Vietnamese Dong	1,838	-	-	-
	154,661	143,086	19,750	12,321

(c) Information on financial risks of borrowings is disclosed in Note 38 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

21. HIRE PURCHASE AND LEASE CREDITORS

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Minimum hire purchase and lease payments:				
- not later than one (1) year	152	780	63	76
- later than one (1) year but not later than five (5) years	484	740	-	63
Total minimum hire purchase and lease payments	636	1,520	63	139
Less: Future interest charges	(43)	(108)	(1)	(5)
Present value of hire purchase and lease payments	593	1,412	62	134
Repayable as follows:				
Current liabilities				
- not later than one (1) year	298	718	62	72
Non-current liabilities				
- later than one (1) year but not later than five (5) years	295	694	-	62
	593	1,412	62	134

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

22. TERM LOANS AND TERM FINANCING-I ("TF-I")

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Conventional financing facilities - Secured				
Term loan I is repayable as follows:				
- 12 equal monthly instalments of RM48,652 each commencing January 2006				
- 12 equal monthly instalments of RM50,216 each commencing January 2007				
- 12 equal monthly instalments of RM52,585 each commencing January 2008				
- 108 equal monthly instalments of RM54,461 each commencing January 2009	836	1,372	-	-
Term loan II is repayable by 300 equal monthly instalments of SGD3,286 (RM9,820) each commencing January 2006	1,493	1,474	-	-
Term loan III is repayable by 180 equal monthly instalments of RM26,378 each commencing October 2009	2,380	2,565	-	-
Term loan IV is repayable by 95 equal monthly instalments of RM208,334 each and a final instalment of RM208,270 commencing November 2011	9,688	12,187	9,688	12,187
Term loan V is repayable as follows:				
- 24 monthly instalments of principal of RM80,000 plus interest each commencing October 2014				
- 24 monthly instalments of principal of RM107,000 plus interest each commencing October 2016				
- 11 monthly instalments of principal of RM134,000 plus interest each commencing October 2017				
- Final instalment of RM1,918,000 in September 2018	6,225	7,188	-	-
Term loan VI is repayable as follows:				
- 240 equal monthly instalments of RM17,554 each commencing September 2011	2,428	2,511	-	-
Term loan VII is repayable as follows:				
- 240 equal monthly instalments of RM64,878 each commencing November 2014	9,885	10,154	-	-
Term loan VIII is repayable as follows:				
- 24 equal monthly instalments of RM70,000 each commencing October 2014				
- 24 equal monthly instalments of RM93,000 each commencing October 2016				
- 11 equal monthly instalments of RM116,000 each commencing October 2018				
- Final instalment of RM1,683,536 in September 2019	5,423	6,266	-	-

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

22. TERM LOANS AND TERM FINANCING-I ("TF-I") (continued)

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Conventional financing facilities - Secured (continued)				
Term loan IX is repayable as follows:				
- 5 equal monthly instalments of RM1,093 each commencing January 2014				
- 91 equal monthly instalments of RM4,126 each commencing June 2014	860	981	-	-
Term loan X is repayable as follows:				
- 240 equal monthly instalments of RM9,411 each commencing March 2014	1,396	1,438	-	-
Term loan XI is repayable as follows:				
- 5 equal annually instalments of RM1,000,000 each commencing October 2016				
- Final instalment of RM10,000,000 in October 2021	15,072	15,073	-	-
Term loan XII is repayable as follows:				
- 240 equal monthly instalments of RM91,894 each commencing December 2014	14,110	14,519	-	-
Term loan XIII is repayable as follows:				
- 180 monthly instalments of RM27,774 each commencing November 2013	3,176	3,360	-	-
Term loan XIV is repayable as follows:				
- 240 monthly instalments of RM1,688 each commencing April 2015	253	262	-	-
Term loan XV is repayable as follows:				
- 240 monthly instalments of RM2,396 each commencing April 2015	360	372	-	-
Term loan XVI is repayable as follows:				
- 240 monthly instalments of RM2,396 each commencing April 2015	360	372	-	-
Term loan XVII is repayable as follows:				
- 300 monthly instalments of RM4,495 each commencing September 2015				
- Final instalment of RM39,195 in August 2040	592	-	-	-
Term loan XVIII is repayable as follows:				
- 36 monthly instalments of SGD97,222 (RM290,558) each commencing June 2016	10,460	-	-	-
Term loan XIX is repayable as follows:				
- to be repaid within 9 months commencing July 2016	1,837	-	-	-
	86,834	80,094	9,688	12,187
Conventional financing facilities - Unsecured				
Term loan XX is repayable over 48 monthly instalments of SGD62,500 (RM186,788) each commencing November 2012	560	2,628	-	-
	87,394	82,722	9,688	12,187

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

22. TERM LOANS AND TERM FINANCING-I ("TF-I") (continued)

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Islamic financing facilities - Secured				
TF-I I is repayable as follows:				
- 24 equal monthly instalments of RM70,000 each commencing November 2010				
- 36 equal monthly instalments of RM80,000 each commencing November 2012				
- 36 equal monthly instalments of RM111,710 each commencing November 2015	3,008	3,963	-	-
TF-I II is repayable as follows:				
- 77 equal monthly instalments of RM180,000 each commencing September 2016				
- Final instalment of RM15,400,000 in February 2023	23,690	23,690	-	-
TF-I III is repayable as follows:				
- 59 monthly instalments of RM167,000 each commencing February 2018				
- Final instalment of RM147,000 in January 2023	10,000	-	10,000	-
	36,698	27,653	10,000	-
	124,092	110,375	19,688	12,187

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Secured				
Repayable as follows:				
Current liabilities				
- not later than one (1) year	17,505	8,879	2,500	2,500
Non-current liabilities				
- later than one (1) year but not later than five (5) years	51,840	43,030	14,035	9,062
- later than five (5) years	54,187	55,838	3,153	625
	106,027	98,868	17,188	9,687
	123,532	107,747	19,688	12,187
Unsecured				
Repayable as follows:				
Current liabilities				
- not later than one (1) year	560	2,102	-	-
Non-current liabilities				
- later than one (1) year but not later than five (5) years	-	526	-	-
	560	2,628	-	-
	124,092	110,375	19,688	12,187

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

22. TERM LOANS AND TERM FINANCING-I ("TF-I") (continued)

- (a) During the financial year, secured term loans are secured by means of legal charges over freehold land and buildings, leasehold land and buildings of the Company and its subsidiaries (Notes 7 and 8) and are guaranteed by the Company except for term loan III, V, VII, VIII, XI, which is secured by a specific debenture over the furniture, fixtures and fittings and other assets of a subsidiary (Note 7) and are guaranteed by the Company. The borrowings are also secured by assignment of rental proceeds.
- (b) The term financing-i are Islamic financing facilities that are secured by means of legal charges over freehold land and buildings, leasehold land and buildings of the Company and its subsidiaries (Notes 7 and 8) and are guaranteed by the Company except for TF-I II which is secured by a specific debenture over the furniture, fixtures and fittings and other assets of a subsidiary (Note 7) and is secured by assignment of rental proceeds.
- (c) As at the end of the reporting period, a total amount of RM22,889,000 (2015: RM5,623,000) has been drawdown in regards to term loans XVII, XVIII, XIX and TF-I III.

23. PROVISION FOR RESTORATION COSTS

	Group	
	2016 RM'000	2015 RM'000
Non-current		
Provision for restoration costs	2,809	1,963
Current		
Provision for restoration costs	87	447
	2,896	2,410

- (a) Provision for restoration costs comprises estimates of reinstatement costs for stores upon termination of tenancy.
- (b) A reconciliation of the provision for restoration costs is as follows:

	Group	
	2016 RM'000	2015 RM'000
Balance as at 1 July 2015/2014	2,410	1,751
Recognised in property, plant and equipment	347	543
Recognised in profit or loss	80	104
Translation adjustments	59	12
Balance as at 30 June 2016/2015	2,896	2,410

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

24. TRADE AND OTHER PAYABLES

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Non-current liabilities				
Other payables				
Other payables	10,274	4,893	2,984	4,893
Contingent consideration for business combination	7,130	-	-	-
Other payables	17,404	4,893	2,984	4,893
Current liabilities				
Trade payables				
Third parties	24,748	31,351	-	-
Other payables, deposits and accruals				
Amounts owing to subsidiaries	-	-	10,000	6,071
Other payables	20,780	17,248	2,295	1,960
Contingent consideration for business combination	6,548	-	-	-
Deposits	2,722	1,396	-	-
Accruals	43,400	48,457	2,034	4,371
	73,450	67,101	14,329	12,402
	98,198	98,452	14,329	12,402
	115,602	103,345	17,313	17,295

- (a) Non-current other payables of the Group and of the Company of RM2,984,000 (2015: RM4,893,000) represent deferred consideration for the acquisition of a subsidiary, Jeco (Pte) Limited in the previous financial years. The amount is unsecured, interest-free and repayable by August 2017. The remaining non-current other payables of the Group of RM7,290,000 (2015: Nil) represent amounts payable for the acquisition of property, plant and equipment, which are unsecured, interest-free and repayable by June 2018.
- (b) The contingent consideration for business combination represents amount payable for the acquisition of IBB.
- (c) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 90 days (2015: 30 to 90 days).
- (d) Amounts owing to subsidiaries represent advances and payments made on behalf, which are unsecured, interest-free and payable upon demand in cash and cash equivalents.
- (e) Information on the financial risks of trade and other payables is disclosed in Note 38 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

24. TRADE AND OTHER PAYABLES (continued)

(f) The currency exposure profile of payables are as follows:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Ringgit Malaysia	37,867	42,590	12,086	10,518
Chinese Renminbi	36	1,473	-	-
Indonesia Rupiah	8,373	11,827	-	-
Hong Kong Dollar	358	597	-	-
Singapore Dollar	65,625	43,981	5,227	6,777
U.S. Dollar	697	884	-	-
Vietnamese Dong	2,575	1,761	-	-
Others	71	232	-	-
	115,602	103,345	17,313	17,295

25. COMMITMENTS

(a) Operating lease commitments

The Group had entered into non-cancellable lease arrangements for boutiques, offices and staff housing, resulting in future rental commitments. The Group has aggregate future minimum lease commitments as at the end of each reporting period as follows:

	Group	
	2016 RM'000	2015 RM'000
Not later than one (1) year	29,808	45,747
Later than one (1) year but not later than five (5) years	20,242	29,572
	50,050	75,319

Certain lease rentals are subject to contingent rental, which are determined based on a percentage of sales generated from boutiques.

(b) Capital commitments

	Group	
	2016 RM'000	2015 RM'000
Approved and contracted for:		
Property, plant and equipment:		
- renovation for offices and warehouses	971	366
- others	-	40
	971	406

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

26. CONTINGENT LIABILITIES

Company - Unsecured

As at 30 June 2016, the Company has given corporate guarantees amounting to RM322,750,000 (2015: RM319,867,000) to financial institutions for banking facilities granted to certain subsidiaries. The amount of banking facilities utilised by certain subsidiaries as at the end of each reporting period are as follows:

	2016 RM'000	2015 RM'000
Secured borrowings	115,424	98,598
Unsecured borrowings	21,920	35,692
	137,344	134,290

The Directors are of the view that the chances of the financial institutions to call upon the corporate guarantees are remote. Accordingly, the Directors are of the view that the fair values of the above corporate guarantees for banking facilities of subsidiaries are negligible.

27. REVENUE

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Sale of goods	652,187	685,010	-	-
Rental income	949	1,309	1,142	2,179
Royalty income	12,302	9,010	-	-
Dividend income from unquoted investments in subsidiaries	-	-	20,236	16,043
	665,438	695,329	21,378	18,222

28. COST OF SALES

	Group	
	2016 RM'000	2015 RM'000
Inventories sold	299,252	284,520

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

29. PROFIT BEFORE TAX

	Note	Group		Company	
		2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Profit before tax is arrived at after charging:					
Accretion of non-current other payables		551	569	359	569
Amortisation of trademarks	9	2,067	512	-	-
Auditors' remuneration:					
- Statutory					
- Auditors of the Company:					
- current year		428	411	53	53
- over provision in prior year		-	(2)	-	-
- Other auditors:					
- current year		448	274	-	-
- Non statutory					
- current year		44	29	15	15
- under provision in prior year		14	9	5	2
Bad debts written off					
- trade and other receivables		32	8	-	-
Depreciation of property, plant and equipment	7	22,899	21,905	529	536
Directors' remuneration of the Company:					
- Fees					
- payable by the Company		600	600	600	600
- payable by subsidiaries		1,783	1,654	-	-
- Emoluments other than fees					
- payable by the Company		1,451	3,792	1,451	3,792
- payable by subsidiaries		4,078	4,348	-	-
Impairment losses on:					
- trade and other receivables	15	5,951	-	-	-
- property, plant and equipment	7	1,228	-	-	-
- interests in associates		-	352	-	-
- investments in subsidiaries	10	-	-	5,165	-
- amounts owing by subsidiaries	15	-	-	1,225	632
- amounts owing by associates	15	736	1,556	2	3
Interest expense and profit payment on Islamic financing on:					
- bank guarantees		24	15	1	1
- bank overdrafts		353	207	-	-
- bankers' acceptances		766	1,106	-	-
- hire purchase and lease creditors		61	93	4	7
- term loans and term financing-i		5,643	4,869	870	810
- trust receipts		481	199	-	-
- others		127	1	-	-
		7,455	6,490	875	818

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

29. PROFIT BEFORE TAX (continued)

	Note	Group		Company	
		2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Profit before tax is arrived at after charging (continued):					
Inventories written off	14	77	440	-	-
Lease of office equipment		162	109	-	-
Loss on disposal of investment properties		85	-	-	-
Net loss on disposal of a subsidiary	35(b)	36	-	40	-
Loss on disposal of other investment		26	-	-	-
Property, plant and equipment written off	7	607	386	-	-
Realised loss on foreign exchange		1,282	656	508	104
Rental commission		2,479	1,986	-	-
Rental of premises		60,567	58,927	-	-
Unrealised loss on foreign exchange		777	1,189	1	1,070
Unwinding of discount on provision for restoration costs	23	80	104	-	-
Fair value adjustment on investment properties	8	2,656	-	-	-
And crediting:					
Dividend income from unquoted investments in subsidiaries (gross)	27	-	-	20,236	16,043
Fair value adjustment on investment properties	8	-	666	-	-
Gain on disposal of property, plant and equipment		127	644	115	219
Interest income from:					
- deposits with licensed banks		96	291	-	135
- bank balances		553	422	553	422
- others		572	316	-	-
Realised gain on foreign exchange		1,620	1,544	1	-
Rental income		949	1,309	1,142	2,179
Reversal of impairment losses on amounts owing by subsidiaries	15	-	-	-	1,540
Reversal of impairment losses on amounts owing by associates	15	4,045	-	-	-
Unrealised gain on foreign exchange		2,124	1,808	-	-

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

30. TAX EXPENSE

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Current tax expense based on profit for the financial year:				
Malaysian income tax	11,132	16,486	153	283
Foreign income tax	3,871	5,604	-	-
	15,003	22,090	153	283
(Over)/Under provision in prior years:				
Malaysian income tax	(857)	240	(12)	(2)
Foreign income tax	345	(215)	-	-
	(512)	25	(12)	(2)
	14,491	22,115	141	281
Deferred tax (Note 13)				
Relating to origination and reversal of temporary differences	1,206	(918)	(11)	-
Under provision in prior years	244	713	-	-
	1,450	(205)	(11)	-
	15,941	21,910	130	281

The Malaysian income tax is calculated at the statutory tax rate of 24% (2015: 25%) of the estimated taxable profits for the fiscal year.

Tax expense for other taxation authorities are calculated at the rates prevailing in those respective jurisdictions.

The numerical reconciliation between the tax expense and the product of accounting profit multiplied by the applicable tax rates of the Group and of the Company are as follows:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Profit before tax	45,939	72,706	9,246	10,402
Tax at Malaysian statutory tax rate of 24% (2015: 25%)	11,025	18,177	2,219	2,601
Tax effects in respect of:				
Non-allowable expenses	4,188	5,053	2,806	2,128
Non-taxable income	(448)	(865)	(4,883)	(4,446)
Lower tax rates in foreign jurisdiction	(235)	(931)	-	-
Deferred tax assets not recognised	2,495	246	-	-
Tax incentive and allowances	(764)	(475)	-	-
Utilisation of previously unrecognised tax losses	(52)	(33)	-	-
	16,209	21,172	142	283
(Over)/Under provision of income tax in prior years	(512)	25	(12)	(2)
Under provision of deferred tax in prior years	244	713	-	-
	15,941	21,910	130	281

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

30. TAX EXPENSE (continued)

Tax savings of the Group are as follows:

	Group	
	2016 RM'000	2015 RM'000
Arising from utilisation of previously unrecognised tax losses	52	33

Tax on each component of other comprehensive income is as follows:

	← Group →		
	Before tax RM'000	Tax effect RM'000	After tax RM'000
Items that may be reclassified subsequently to profit or loss			
2016			
Fair value loss on available-for-sale financial assets	(25)	-	(25)
Foreign currency translations	4,660	-	4,660
	4,635	-	4,635
2015			
Foreign currency translations	3,814	-	3,814

31. EARNINGS PER SHARE

(a) Basic

Basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2016	2015
Profit attributable to equity holders of the parent (RM'000)	24,852	45,324
Average number of ordinary shares in issue at the beginning of financial year ('000)	806,287	201,571
Effects of:		
- Issuance of ordinary shares pursuant to Bonus Issue completed on 23 July 2014 ('000)	-	201,572
- Issuance of ordinary shares pursuant to Share Split completed on 23 July 2014 ('000)	-	403,144
Weighted average number of ordinary shares applicable to basic earnings per ordinary share ('000)	806,287	806,287
Basic earnings per ordinary share for profit for the financial year (sen)	3.08	5.62

(b) Diluted

Diluted earnings per ordinary share equals basic earnings per ordinary share as there is no dilutive potential ordinary shares outstanding during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

32. DIVIDENDS

	Company			
	2016		2015	
	Dividend per share Sen	Amount of dividend RM'000	Dividend per share Sen	Amount of dividend RM'000
Dividends paid:				
Single tier final dividend of 5% in respect of the financial year ended 30 June 2015, paid on 31 December 2015	1.25	10,079	-	-
Single tier final dividend of 5% in respect of the financial year ended 30 June 2014, paid on 22 December 2014	-	-	1.25	10,079
	1.25	10,079	1.25	10,079

The Directors recommended a single tier final dividend of 5% per ordinary share of RM0.25 each, amounting to RM10,078,593 in respect of the financial year ended 30 June 2016. The aforesaid final dividend will be proposed for shareholders' approval in the forthcoming Annual General Meeting, and if approved, will be accounted for as an appropriation of retained earnings in the financial year ending 30 June 2017.

33. EMPLOYEE BENEFITS

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Wages, salaries and bonuses	92,298	108,591	1,857	3,998
Contributions to defined contribution plan	12,601	13,052	194	461
Social security contributions	929	931	-	-
Other benefits	23,501	17,831	-	-
	129,329	140,405	2,051	4,459

Included in the employee benefits of the Group and of the Company are Executive Directors' remuneration of the Company and its subsidiaries amounting to RM14,422,000 (2015: RM21,024,000) and RM1,871,000 (2015: RM4,301,000) respectively.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

34. RELATED PARTIES DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties of the Company include:

- (i) Its holding company, subsidiaries, fellow subsidiaries, and associates;
- (ii) Any entities with joint control of, or significant influence over the Company;
- (iii) Joint venture in which the Company is a joint venturer; and
- (iv) Key management personnel of the Company or its holding company.

Related parties other than those disclosed elsewhere in the financial statements and their relationship with the Group are as follows:

Related parties	Relationship
Cassardi International Co. Ltd.	A company in which a substantial shareholder of a subsidiary of the Company, has substantial financial interests.
Long Bow Manufacturing (S) Pte. Ltd.	A company in which a Director, who is also a substantial shareholder of the Company, and a director of certain subsidiaries of the Company, has substantial financial interests.
Bonia International Holdings Pte. Ltd.	A company in which a Director, who is also a substantial shareholder of the Company, has substantial financial interests.
Lian Bee Marketing (M) Sdn. Bhd.	A company in which certain directors, who are also substantial shareholders of certain subsidiaries of the Company, have substantial financial interests.

- (b) In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Received/receivable from subsidiaries				
Rental income	-	-	1,143	2,179
Dividends	-	-	20,236	16,043
Administrative fee	-	-	80	20
Paid/payable to subsidiaries				
Management fees	-	-	-	1
Agency fees	-	-	8	7
Paid/payable to other related parties				
Royalties				
- Cassardi International Co. Ltd.	697	927	-	-
- Bonia International Holdings Pte. Ltd.	3,107	3,166	-	-
Rental expense				
- Long Bow Manufacturing (S) Pte. Ltd.	1,839	1,670	-	-
- Lian Bee Marketing (M) Sdn. Bhd.	-	180	-	-

Save for the dividends received from subsidiaries, the related parties transactions described above were carried out in the normal course of business and have been established under negotiated and mutually agreed terms.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

34. RELATED PARTIES DISCLOSURES (continued)

(c) Compensation of key management personnel

Key management personnel are those persons responsible for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of the Group and of the Company.

The remuneration of Directors and other key management personnel during the financial year was as follows:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Short term employee benefits	13,332	19,472	1,857	3,998
Contributions to defined contribution plan	1,270	1,709	194	461
	14,602	21,181	2,051	4,459

35. ACQUISITION AND DISPOSAL OF SUBSIDIARIES

- (a) On 29 January 2016, Jeco had entered into a Sale and Purchase Agreement ("SPA") with Helgo Neugebauer ("HNB" or "Seller"), an unrelated party to acquire 100 ordinary shares of SGD1.00 each, representing 100% of the entire issued and paid-up capital of IBB at a total cash consideration of SGD6,000,000. The acquisition was completed on 15 February 2016 ("Completion Date") and IBB became a subsidiary of the Group. The salient terms of the SPA are summarised as follows:

The cash consideration is payable in the following manner:

- (i) SGD1,000,000 is payable to the Seller within 1 month from the Completion date;
- (ii) SGD2,500,000 is payable to the Seller on 30 April 2017 subject to the receipt of Audited Accounts 2016 of IBB ("First Post-Completion Payment"); and
- (iii) SGD2,500,000 is payable to the Seller on 30 April 2018 subject to the receipt of Audited Accounts 2017 of IBB ("Second Post-Completion Payment")

In turn, IBB should achieve an audited aggregate profit after tax ("profit guarantee" or "contingent consideration arrangement") as warranted by HNB as follows:

- (i) at least SGD2,000,000 audited profit after tax for the financial period of 1 January 2016 to 31 December 2016, failing which the shortfall should be deducted from the First Post-Completion Payment;
- (ii) at least SGD2,000,000 audited profit after tax for the financial period of 1 January 2017 to 31 December 2017, failing which the shortfall should be deducted from the Second Post-Completion Payment;
- (iii) If the audited aggregate profit after tax for the financial period of 1 January 2016 to 31 December 2017 is at least SGD4,000,000, the total amount deducted from the First Post-Completion Payment or Second Post-Completion Payment, as applicable, should be paid to HNB on 30 April 2018; and
- (iv) If during the financial period of 1 January 2016 to 31 December 2017, the Indonesian Rupiah (IDR) depreciated more than 20% from the foreign exchange rate against the SGD as at Completion Date, and the audited aggregate profit after tax for the financial period 1 January to 31 December 2017, is less than SGD4,000,000, Jeco agreed that the total amount deducted from the First Post-Completion Payment or Second Post-Completion Payment, as applicable, should be paid to the Seller on 30 April 2019 if the audited aggregate profit after tax for the financial period 1 January 2016 to 31 December 2018 is at least SGD4,000,000.

As at the acquisition date, the fair value of the contingent consideration was estimated at RM13,678,000.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

35. ACQUISITION AND DISPOSAL OF SUBSIDIARIES (continued)

The fair value of the identifiable assets and liabilities of IBB as at the date of acquisition are as follows:

	RM'000
Total identifiable net assets	*
Goodwill arising from acquisition	16,667
Total fair value of purchase consideration	16,667

* Represents RM300

Goodwill arising from acquisition of IBB has been recognised on a provisional basis. In accordance with MFRS 3 *Business Combinations*, the fair value of the identifiable assets, liabilities and contingent liabilities of IBB as at date of acquisition shall be measured. The measurement period shall not exceed one year from the acquisition date.

As at 30 June 2016, a provisional goodwill is recorded based on the excess of the sum of the fair value of purchase consideration over the total identifiable net assets acquired as at date of acquisition.

The consideration transferred for the acquisition of IBB is as follows:

	RM'000
Cash paid	2,989
Contingent consideration recognised as at acquisition date	13,678
Total fair value of purchase consideration	16,667

The effects of the acquisition of IBB on cash flows of the Group are as follows:

	RM'000
Total purchase consideration	16,667
Less:	
- contingent consideration	(13,678)
- cash and cash equivalents acquired	(*)
Net cash outflow of the Group on acquisition	2,989

* Represents RM300

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

35. ACQUISITION AND DISPOSAL OF SUBSIDIARIES (continued)

- (b) On 31 March 2016, the Company had disposed its 100% equity interest (comprising 100,000 ordinary shares of RM1.00 each) in a wholly-owned subsidiary, MCD for a cash consideration of RM60,000.

The effect of disposal of MCD on the financial position of the Group and of the Company is analysed as follows:

	Group RM'000	Company RM'000
Cost of investment	-	100
Other receivables	60	-
Current tax assets	34	-
Cash and bank balances	2	-
Net assets up to date of disposal	96	100
Net proceeds from disposal	60	60
Net loss on disposal of subsidiary	36	40

The net cash inflow from the disposal is analysed as below:

	Group RM'000
Cash considerations	60
Cash and balances disposed of	(2)
	58

36. OPERATING SEGMENTS

Bonia Corporation Berhad and its subsidiaries are principally engaged in designing, manufacturing, marketing, retailing, wholesaling and franchising of fashionable leather goods, accessories and apparel for the local and overseas markets, property development and investment holding.

The Group has arrived at three (3) reportable operating segments that are organised and managed separately according to the nature of products and services and specific expertise, which requires different business and marketing strategies. The reportable segments are summarised as follows:

Retailing	Designing, promoting and marketing of fashionable apparels, footwear, accessories and leather goods.
Manufacturing	Manufacturing and marketing of fashionable leather goods.
Investment and property development	Investment holding and rental and development of commercial properties.

The accounting policies of operating segments are the same as those described in the summary of significant accounting policies.

The Group evaluates performance on the basis of profit or loss from operations before tax.

Inter-segment revenue is priced along the similar lines as sales to external customers and is eliminated in the consolidated financial statements. These policies have been applied consistently throughout the current and previous financial years.

Segment assets exclude tax assets.

Segment liabilities exclude tax liabilities. Even though loans and borrowings arise from financing activities rather than operating activities, they are allocated to the segments based on relevant factors (e.g. funding requirement). Details are provided in the reconciliations from segment assets and liabilities to the position of the Group.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

36. OPERATING SEGMENTS (continued)

2016	Retailing RM'000	Manufacturing RM'000	Investment and property development RM'000	Total RM'000
Revenue				
Total revenue	663,570	29,458	72,819	765,847
Inter-segment revenue	-	(28,640)	(71,769)	(100,409)
Revenue from external customers	663,570	818	1,050	665,438
Interest income	665	-	556	1,221
Interest expense and profit payment on Islamic financing	(1,880)	(477)	(5,098)	(7,455)
Net interest expense and profit payment on Islamic financing	(1,215)	(477)	(4,542)	(6,234)
Depreciation of property, plant and equipment	(17,761)	(863)	(4,275)	(22,899)
Amortisation of trademarks	(2,067)	-	-	(2,067)
Segment profit before tax	44,585	1,453	17,108	63,146
Share of profits of associates	-	-	295	295
Tax expense	(14,936)	(354)	(651)	(15,941)
Other material non-cash items:				
- accretion of non-current other payables	(192)	-	(359)	(551)
- reversal of impairment losses on amounts owing by associates	4,045	-	-	4,045
- impairment losses on trade and other receivables	(5,951)	-	-	(5,951)
- impairment losses on amounts owing by associates	(733)	-	(3)	(736)
- impairment losses on property, plant and equipment	(872)	-	(356)	(1,228)
- inventories written off	-	(77)	-	(77)
- property, plant and equipment written off	(607)	-	-	(607)
- fair value adjustments on investment properties	-	-	(2,656)	(2,656)
- gain on disposal of property, plant and equipment	12	-	115	127
Interests in associates	-	-	392	392
Additions to non-current assets other than financial instruments and deferred tax assets	58,939	10	5,458	64,407
Segment assets	436,009	31,751	232,765	700,525
Segment liabilities	148,094	11,982	113,083	273,159

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

36. OPERATING SEGMENTS (continued)

2015	Retailing RM'000	Manufacturing RM'000	Investment and property development RM'000	Total RM'000
Revenue				
Total revenue	694,165	24,225	54,431	772,821
Inter-segment revenue	-	(24,167)	(53,325)	(77,492)
Revenue from external customers	694,165	58	1,106	695,329
Interest income	464	5	560	1,029
Interest expense	(1,726)	(509)	(4,255)	(6,490)
Net interest expense	(1,262)	(504)	(3,695)	(5,461)
Depreciation of property, plant and equipment	(19,095)	(564)	(2,246)	(21,905)
Amortisation of trademarks	(512)	-	-	(512)
Segment profit before tax	78,925	792	12,732	92,449
Share of losses of associates	-	-	(209)	(209)
Tax expense	(20,443)	(336)	(1,131)	(21,910)
Other material non-cash items:				
- accretion of non-current other payables	-	-	(569)	(569)
- impairment losses on amounts owing by associates	(879)	-	(677)	(1,556)
- impairment losses on interests in associates	-	-	(352)	(352)
- inventories written off	(373)	(67)	-	(440)
- property, plant and equipment written off	(386)	-	-	(386)
- fair value adjustments on investment properties	-	-	666	666
- gain on disposal of property, plant and equipment	136	-	508	644
Interests in associates	-	-	97	97
Additions to non-current assets other than financial instruments and deferred tax assets	13,514	2,102	13,722	29,338
Segment assets	403,597	33,731	220,450	657,778
Segment liabilities	123,225	10,962	114,654	248,841

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

36. OPERATING SEGMENTS (continued)

Reconciliations of reportable segment revenue, profit or loss, assets and liabilities to the corresponding amounts of the Group are as follows:

	2016 RM'000	2015 RM'000
Revenue		
Total revenue for reportable segments	765,847	772,821
Elimination of inter-segment revenues	(100,409)	(77,492)
Revenue of the Group per consolidated statement of profit or loss and other comprehensive income	665,438	695,329
Profit for the financial year		
Total profit or loss for reportable segments	70,468	92,449
Elimination of inter-segment profits	(24,529)	(19,743)
Profit before tax	45,939	72,706
Tax expense	(15,941)	(21,910)
Profit for the financial year of the Group per consolidated statement of profit or loss and other comprehensive income	29,998	50,796
Assets		
Total assets for reportable segments	700,525	657,778
Tax assets	9,205	7,088
Total assets of the Group per consolidated statement of financial position	709,730	664,866
Liabilities		
Total liabilities for reportable segments	273,159	248,841
Tax liabilities	9,636	11,720
Total liabilities of the Group per consolidated statement of financial position	282,795	260,561

Geographical information

The Group operates mainly in Malaysia, Singapore and Indonesia.

In presenting information on the basis of geographical areas, segment revenue is based on the geographical location from which the sale transactions originated.

The composition of each geographical segment is as follows:

- (i) Malaysia : Manufacturing, designing, promoting and marketing of fashionable apparel, footwear, accessories and leather goods, and development of commercial properties.
- (ii) Singapore : Designing, promoting and marketing of fashionable apparels, footwear, accessories and leather goods.
- (iii) Indonesia : Marketing and distribution of fashionable goods and accessories.
- (iv) Others⁽¹⁾ : Marketing and distribution of fashionable goods and accessories.

⁽¹⁾ Others represent operations in Vietnam, Saudi Arabia and Kuwait.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

36. OPERATING SEGMENTS (continued)

Geographical information (continued)

Segment assets are based on geographical location of the assets of the Group. The non-current assets do not include financial instruments and deferred tax assets.

	2016 RM'000	2015 RM'000
Revenue from external customers		
Malaysia	437,506	438,998
Singapore	172,016	175,400
Indonesia	19,374	29,550
Others	36,542	51,381
	665,438	695,329
Non-current assets		
Malaysia	258,473	241,213
Singapore	41,498	42,650
Indonesia	17,669	75
Others	1,950	6,441
	319,590	290,379

Major customers

There were no major customers who contributed more than ten percent (10%) of the revenue of the Group. As such, information on major customers is not presented.

37. FINANCIAL INSTRUMENTS

(a) Capital management

The primary objective of the capital management of the Group is to ensure that entities of the Group would be able to continue as going concerns whilst maximising the return to shareholders through the optimisation of the debt and equity balance. The overall strategy of the Group remains unchanged from that in the previous financial year.

The Group manages its capital structure and makes adjustments to it in response to changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 30 June 2016 and 30 June 2015.

The Group monitors capital using gearing ratios, i.e. gearing ratio and net gearing ratio. Gearing ratio represents borrowing divided by total capital whereas net gearing ratio represents borrowings less cash and bank balances divided by total capital. Capital represents equity attributable to the owners of the parent.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

37. FINANCIAL INSTRUMENTS (continued)

(a) Capital management (continued)

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Borrowings	154,661	143,086	19,750	12,321
Less: Cash and bank balances	(103,159)	(78,775)	(2,959)	(1,110)
	51,502	64,311	16,791	11,211
Total capital	406,234	387,516	209,765	210,728
Gearing ratio ⁽¹⁾	38%	37%	9%	6%
Net gearing ratio ⁽²⁾	13%	17%	8%	5%

⁽¹⁾ without taking cash and bank balances into consideration

⁽²⁾ taking cash and bank balances into consideration

The Group will continue to be guided by prudent financial policies of which gearing is an important aspect.

Pursuant to Practice Note No. 17/2005 issued by Bursa Malaysia Securities Berhad, the Group is required to maintain a consolidated shareholders' equity equal to or not less than the twenty-five percent (25%) of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40.0 million. The Company has complied with this requirement for the financial year ended 30 June 2016.

The Group is not subject to any other externally imposed capital requirements.

(b) Financial instruments

Group 2016	Loans and receivables RM'000	Available- for-sale RM'000	Total RM'000
Financial assets			
Other investments	-	1,298	1,298
Trade and other receivables, net of prepayments	112,272	-	112,272
Cash and bank balances	103,159	-	103,159
	215,431	1,298	216,729

	Other financial liabilities RM'000	Total RM'000
Financial liabilities		
Borrowings	154,661	154,661
Trade and other payables	115,602	115,602
	270,263	270,263

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

37. FINANCIAL INSTRUMENTS (continued)

(b) Financial instruments (continued)

Company 2016	Loans and receivables RM'000	Total RM'000
Financial assets		
Other receivables	83,832	83,832
Cash and bank balances	2,959	2,959
	86,791	86,791

Company 2016	Other financial liabilities RM'000	Total RM'000
Financial liabilities		
Borrowings	19,750	19,750
Other payables	17,313	17,313
	37,063	37,063

Group 2015	Loans and receivables RM'000	Available- for-sale RM'000	Total RM'000
Financial assets			
Other investments	-	1,137	1,137
Trade and other receivables, net of prepayments	117,282	-	117,282
Cash and bank balances	78,775	-	78,775
	196,057	1,137	197,194

Group 2015	Other financial liabilities RM'000	Total RM'000
Financial liabilities		
Borrowings	143,086	143,086
Trade and other payables	103,345	103,345
	246,431	246,431

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

37. FINANCIAL INSTRUMENTS (continued)

(b) Financial instruments (continued)

Company 2015	Loans and receivables RM'000	Total RM'000
Financial assets		
Other receivables	75,594	75,594
Cash and bank balances	1,110	1,110
	76,704	76,704
Financial liabilities		
Borrowings	12,321	12,321
Other payables	17,295	17,295
	29,616	29,616

(c) Methods and assumptions used to estimate fair value

The fair values of financial assets and financial liabilities are determined as follows:

- i. Financial instruments that are not carried at fair value and whose carrying amounts are a reasonable approximation of fair value

The carrying amounts of financial assets and liabilities, such as trade and other receivables, trade and other payables and borrowings, are reasonable approximation of fair value, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

The carrying amounts of the current position of loans and borrowings are reasonable approximations of fair values due to insignificant impact of discounting.
- ii. Hire purchase and lease creditors

The fair values of these financial instruments are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the end of each reporting period.
- iii. Other investments

The fair values for club memberships are estimated based on references to current available counters party quotation of the same investment.
- iv. Non-current other receivables and other payables

The fair value of non-current other receivables and other payables are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending.

The carrying amounts of the non-current other receivables and other payables are reasonable approximations of their fair values.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

37. FINANCIAL INSTRUMENTS (continued)

(d) Fair value hierarchy

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The valuation techniques and significant unobservable inputs used in determining the fair value measurement of Level 3 financial instruments as well as the relationship between key unobservable inputs and fair value, is detailed in the table below.

Financial instruments	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value
<u>Financial assets</u>		
Club memberships	Counter party quotation	The higher the counter party quotation, the higher the fair value of the club memberships
<u>Financial liabilities</u>		
Contingent consideration for business combination	Estimated probabilities of achieving the profit targets as set out in the sale and purchase agreement and discount rate	The higher the estimated probabilities, the higher the fair value of the contingent considerations for business combinations would be; the higher the discount rate, the lower the fair value of the contingent considerations for business combinations

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

37. FINANCIAL INSTRUMENTS (continued)

(d) Fair value hierarchy (continued)

The following tables set out the financial instruments carried at fair values and those not carried at fair values for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

2016 Group	Fair values of financial instruments carried at fair value				Fair values of financial instruments not carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
Financial assets										
Available-for-sale financial assets										
- Club memberships	-	-	1,298	1,298	-	-	-	-	1,298	1,298
Financial liabilities										
Financial liabilities at fair value through profit or loss										
- Contingent consideration for business combination	-	-	13,678	13,678	-	-	-	-	13,678	13,678
Other financial liabilities										
- Hire purchase and lease creditors	-	-	-	-	-	584	-	584	584	593
Company										
Financial liabilities										
Other financial liabilities										
- Hire purchase and lease creditors	-	-	-	-	-	61	-	61	61	62

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

37. FINANCIAL INSTRUMENTS (continued)

(d) Fair value hierarchy (continued)

The following tables set out the financial instruments carried at fair values and those not carried at fair values for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position (continued).

2015 Group	Fair values of financial instruments carried at fair value				Fair values of financial instruments not carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
Financial assets										
Available-for-sale financial assets										
- Club memberships	-	-	1,137	1,137	-	-	-	-	1,137	1,137
Financial liabilities										
Other financial liabilities										
- Hire purchase and lease creditors	-	-	-	-	-	1,376	-	1,376	1,376	1,412
Company										
Financial liabilities										
Other financial liabilities										
- Hire purchase and lease creditors	-	-	-	-	-	130	-	130	130	134

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

37. FINANCIAL INSTRUMENTS (continued)

(e) The following table shows a reconciliation of Level 3 fair values:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Financial assets				
Balance as at 1 July 2015/2014	1,137	1,099	-	-
Additions	189	-	-	-
Disposal	(36)	-	-	-
Fair value loss recognised	(25)	-	-	-
Translation adjustments	33	38	-	-
Balance as at 30 June 2016/2015	1,298	1,137	-	-
Financial liabilities				
Balance as at 1 July 2015/2014	-	-	-	-
Acquisition of a subsidiary	13,678	-	-	-
Balance as at 30 June 2016/2015	13,678	-	-	-

Sensitivities for the Level 3 fair value measurements of the financial assets and financial liabilities are not disclosed as they are not material to the Group.

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial risk management objective of the Group is to safeguard the shareholders' investment and the Group's assets whilst minimising the potential adverse impact arising from fluctuations in foreign currency exchange and interest rates and the unpredictability of the financial markets.

The Group operates within an established risk management and internal control framework and clearly defined guidelines that are regularly reviewed by the Board of Directors. Financial risk management is carried out through risk review programmes, internal control systems, insurance programmes and adherence to the Group financial risk management policies. The Group is exposed mainly to credit risk, liquidity and cash flow risk, interest rate risk and foreign currency risk. Information on the management of the related exposures is detailed below.

(i) Credit risk

Cash deposits and trade receivables could give rise to credit risk, which requires the loss to be recognised if a counter party fails to perform as contracted. The counter parties are major international institutions and reputable multinational organisations. It is the policy of the Group to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The primary exposure of the Group to credit risk arises through its trade receivables. The trading terms of the Group with its customers are mainly on credit, except for boutique sales, where the transactions are done in cash term. The credit period is generally for a period of 30 days, extending up to 120 days for major customers. Each customer has a maximum credit limit and the Group seek to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(i) Credit risk (continued)

Exposure to credit risk

At the end of each reporting period, the maximum exposure of the Group and of the Company to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

Credit risk concentration profile

The Group determines concentration of credit risk by monitoring the country and industry sector profiles of its trade receivables on an ongoing basis. The credit risk concentration profile of the trade receivables of the Group at the end of each reporting period are as follows:

	Group			
	2016		2015	
	RM'000	% of total	RM'000	% of total
By country				
Malaysia	44,779	58	55,408	61
Singapore	15,003	20	19,776	22
Indonesia	6,758	9	4,215	5
Vietnam	8,675	12	10,542	12
Others	1,110	1	721	#
	76,325	100	90,662	100
By industry sectors				
Retailing	76,049	100	90,466	100
Manufacturing	131	#	24	#
Investment and property development	145	#	172	#
	76,325	100	90,662	100

Amount is less than 1%

At the end of each reporting period, there was no significant concentration of credit risk for the Company other than amounts owing by subsidiaries, net of impairment to the Company of RM83,781,000 (2015: RM75,585,000).

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 15 to the financial statements. Deposits with licensed banks that are neither past due nor impaired are placed with reputable financial institutions with no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 15 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(ii) Liquidity and cash flow risk

The Group actively manages its debt maturity profile, operating cash flows and availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of the Group.

The table below summarises the maturity profile of the liabilities of the Group and of the Company at the end of each reporting period based on contractual undiscounted repayment obligations.

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
As at 30 June 2016				
Group				
Financial liabilities				
Trade and other payables	99,123	18,210	-	117,333
Borrowings	54,140	68,440	66,595	189,175
Total undiscounted financial liabilities	153,263	86,650	66,595	306,508
Company				
Financial liabilities				
Other payables	14,478	2,989	-	17,467
Borrowings	3,381	17,251	3,198	23,830
Total undiscounted financial liabilities	17,859	20,240	3,198	41,297
As at 30 June 2015				
Group				
Financial liabilities				
Trade and other payables	98,810	5,046	-	103,856
Borrowings	47,323	57,761	65,126	170,210
Total undiscounted financial liabilities	146,133	62,807	65,126	274,066
Company				
Financial liabilities				
Other payables	12,760	5,046	-	17,806
Borrowings	3,555	10,864	641	15,060
Total undiscounted financial liabilities	16,315	15,910	641	32,866

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group and of the Company would fluctuate because of changes in market interest rates.

The exposure of the Group and of the Company to interest rate risk relates primarily to their interest-bearing borrowings on floating rates. The Group does not use derivative financial instruments to hedge this risk.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity analysis of the Group and of the Company if interest rates at the end of each reporting period changed by fifty (50) basis points with all other variables held constant:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Profit after tax				
- increase by 0.5% (2015: 0.5%)	(585)	(497)	(75)	(46)
- decrease by 0.5% (2015: 0.5%)	585	497	75	46

The sensitivity is higher in 2016 than in 2015 because of increase in borrowings during the financial year. The assumed movement in basis points for interest rate sensitivity analysis is based on current observable market environment.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(iii) Interest rate risk (continued)

The following tables set out the carrying amounts, the weighted average effective interest rate as at the end of each reporting period and the remaining maturities of the financial instruments of the Group and of the Company that are exposed to interest rate risk:

Group	Note	Weighted average effective interest rate %	Within						Total
			1 year RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	More than 5 years RM'000	
At 30 June 2016									
Fixed rate									
Non-current other receivables	15	18.00	-	10,734	-	-	-	-	10,734
Deposits with licensed banks	16								
- RM		3.30	57	-	-	-	-	-	57
- SGD		0.35	815	-	-	-	-	-	815
- IDR		7.50	1,830	-	-	-	-	-	1,830
Hire purchase and lease creditors	21	5.47	(298)	(136)	(129)	(30)	-	-	(593)
Floating rate									
Bank overdrafts	20	8.41	(4,087)	-	-	-	-	-	(4,087)
Bankers' acceptances	20	3.95	(17,966)	-	-	-	-	-	(17,966)
Trust receipts	20	4.14	(7,923)	-	-	-	-	-	(7,923)
Term loans and term financing-i	22	5.51	(18,065)	(15,677)	(16,299)	(12,436)	(7,428)	(54,187)	(124,092)

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(iii) Interest rate risk (continued)

The following tables set out the carrying amounts, the weighted average effective interest rate as at the end of each reporting period and the remaining maturities of the financial instruments of the Group and of the Company that are exposed to interest rate risk (continued):

Company	Note	Weighted average effective interest rate %	Within 1 year					Total
			1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	More than 5 years RM'000	
At 30 June 2016								
Fixed rate								
Hire purchase and lease creditors	21	4.48	(62)	-	-	-	-	(62)
Floating rate								
Term loans and term financing-i	22	5.56	(2,500)	(4,504)	(3,566)	(2,630)	(3,153)	(19,688)
Company								
At 30 June 2015								
Fixed rate								
Hire purchase and lease creditors	21	4.48	(72)	(62)	-	-	-	(134)
Floating rate								
Term loans and term financing-i	22	6.07	(2,500)	(2,500)	(2,500)	(1,562)	(625)	(12,187)

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(iv) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in foreign exchange rates.

Subsidiaries operating in Singapore, Vietnam and Indonesia have assets and liabilities together with expected cash flows from anticipated transactions denominated in foreign currencies that give rise to foreign exchange exposures.

The Group maintains a natural hedge, where possible, by borrowing in the currency of the country in which the investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investments.

The Group also holds cash and bank balances denominated in foreign currencies for working capital purposes. At the end of each reporting period, such foreign currency balances (in Singapore Dollar and other currencies) amounted to RM45,192,000 (2015: RM31,614,000) (see Note 16(c) to the financial statements) for the Group.

The Group did not enter into any material forward foreign exchange contract in the current financial year.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity analysis of the Group and the Company to a reasonably possible change in the Singapore Dollar ("SGD"), U.S. Dollar ("USD"), Vietnamese Dong ("VND") and Indonesia Rupiah ("IDR") exchange rates against the respective functional currencies of the Group entities, with all other variables held constant:

		Group		Company	
		2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Profit after tax					
SGD/RM	- strengthen by 3% (2015: 3%)	-875	-377	-119	-152
	- weaken by 3% (2015: 3%)	+875	+377	+119	+152
USD/RM	- strengthen by 3% (2015: 3%)	+250	+291	-	-
	- weaken by 3% (2015: 3%)	-250	-291	-	-
VND/RM	- strengthen by 3% (2015: 3%)	+61	+113	-	-
	- weaken by 3% (2015: 3%)	-61	-113	-	-
IDR/RM	- strengthen by 3% (2015: 3%)	+322	-139	-	-
	- weaken by 3% (2015: 3%)	-322	+139	-	-

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

39. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) Investments in subsidiaries during the financial year ended 30 June 2016 are disclosed in Note 10 to the financial statements.

(b) Material litigation

The 60% owned subsidiaries of the Company, AMSB and Mcore had filed a civil suit on 3 August 2011 against Leong Tat Yan. AMSB and Mcore claimed against Leong Tat Yan for a sum of RM946,000 and RM2,250,000 respectively, being the proceeds of sale from the joint venture business owed by Leong Tat Yan.

Leong Tat Yan owns 40% of the equity interest in AMSB and he is also a controlling shareholder of 388 Venture Corporation Sdn. Bhd. which owns 40% of the equity interest in Mcore.

There are losses of RM5,389,000 arising from the dispute of which management had made the necessary impairment in the previous financial year. The losses includes impairment loss of trade receivables amounted to RM3,196,000 and inventories written off of RM2,193,000 (before non-controlling interest's share of loss).

The Plaintiffs filed a Notice of Appeal on 9 April 2013 against part of the decision of the High Court dated 27 March 2013 in connection with the service of Writ of Summons and Statement of Claim 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 jurisdiction and forum.

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

After discussing with their legal advisors, 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.

Leave to appeal to the Federal Court was granted on 29 January 2015.

On the hearing date of 9 November 2015, the Federal Court allowed the Applicant's appeal and set aside the Court of Appeal's Order dated 8 July 2013 in whole, thereby reversing the Court of Appeal's decision that the High Court has no jurisdiction over Leong Tat Yan.

(c) Trademark dispute

The 70%-owned subsidiary of the Company and brand representative of the Braun Buffel brand in the Asia Pacific region, Jeco Pte Ltd. ("Jeco"), has been engaged in court proceedings in the People's Republic of China ("PRC") for matter pertaining to PRC Trademark No. 1992120 for Bull Device Mark. The Bull Device Mark is owned by Wise Luck International Ltd. ("Wise Luck"). The litigation arose in 2008 when Jeco lodged a cancellation action against the registration of the Bull Device Mark with the Trademark Review and Adjudication Board (China) ("TRAB"). After the TRAB decision was issued of which in favour of Jeco in 2010, Wise Luck filed an appeal to the Beijing 1st Intermediate Court and succeeded in the appeal. The appeal outcome was upheld by the Beijing Higher Court in 2012.

Jeco had applied for a re-trial of the matter at the PRC Supreme Court and in October 2015, it was notified that the application for re-trial had been rejected by the PRC Supreme Court. Jeco does not have to pay any damages to Wise Luck.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

40. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

- (a) On 18 July 2016, CRR Vietnam Co., Ltd. ("CRR") became an indirect wholly-owned subsidiary of the Company via CRG's subscription of 100% equity interest in CRR for a contributed capital of VND1,125,000,000.
- (b) As disclosed in Note 10(c)(ii) to the financial statements, the voluntary liquidation of BIS was completed on 21 July 2016.
- (c) On 22 September 2016, Jeco and HNB, had executed a Deed of Amendment to vary certain terms and conditions in the SPA dated 29 January 2016 in relation to Jeco's acquisition of 100% equity interest in IBB as disclosed in Note 35 to the financial statements as summarised below:
 - (i) the purchase price to acquire IBB was reduced from SGD6,000,000 to SGD4,000,000;
 - (ii) the payment schedule of the purchase price has been revised and the payment period was shortened to end by 31 August 2017 instead of 30 April 2018;
 - (iii) the clauses in relation to profit guarantee of SGD2,000,000 for each financial period of 1 January 2016 to 31 December 2016, and 1 January 2017 to 31 December 2017 respectively, warranted by HNB, were deleted in its entirety from the SPA; and
 - (iv) Jeco has full right and absolute discretion to determine the board composition and all the management and operating affairs of IBB.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016
(CONTINUED)

41. SUPPLEMENTARY INFORMATION ON REALISED AND UNREALISED PROFITS OR LOSSES

The retained earnings as at the end of each reporting period may be analysed as follows:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Total retained earnings of the Company and its subsidiaries				
- Realised	224,904	220,271	8,191	10,234
- Unrealised	1,716	2,861	2	(1,078)
Total share of retained earnings/(accumulated losses) from associates				
- Realised	84	(211)	-	-
	226,704	222,921	8,193	9,156
Less: Consolidation adjustments	(29,720)	(40,710)	-	-
Total retained earnings	196,984	182,211	8,193	9,156

LIST OF PROPERTIES

HELD BY THE GROUP AS AT 30 JUNE 2016

Location of Property	Description	Tenure	Existing Use	Age of Building (Year)	Area (Sq Ft)	Carrying Amount RM'000	Date of Acquisition
ATALY INDUSTRIES SDN BHD							
HS(D) 85704 PT No. 20501 No. 29, Jalan Budiman Taman Midah, Cheras 56000 Kuala Lumpur	2-storey Terrace House	Freehold	Hostel	34	1,540	90	21/05/1992
BONIA CORPORATION BERHAD							
GRN 50053 Lot No. 50644 No. 62, Jalan Kilang Midah Taman Midah, Cheras 56000 Kuala Lumpur	6-storey Office cum Warehouse	Freehold	Office cum Warehouse	18	24,374	13,664	01/12/1998
CB HOLDINGS (MALAYSIA) SDN BHD							
QT No. 85228 Lot No. 2794 UG-31, Upper Ground Floor Cheras Sentral Mall Batu 6, Jalan Cheras 56000 Kuala Lumpur	Shopping Complex Lot	Freehold	Vacant	22	432	-	17/05/1993
PN No. 1339 Lot No. 385 Unit 2B, 3.04 & 3.05 KOMTAR Shopping Complex 10000 Pulau Pinang	Shopping Complex Lot	Leasehold (Expiring in 2084)	Office	30	1,806	897	29/08/1994
PN No. 1339 Lot No. 385 Unit C2, 4.03B KOMTAR Shopping Complex 10000 Pulau Pinang	Office Lot	Leasehold (Expiring in 2092)	Store	30	1,134	235	31/12/1994
CRG INCORPORATED SDN BHD							
HS(D) No. 131905 PT No. 49975 Block C, Platinum Cheras Jalan Cheras Zen 1A, 43200, Cheras Selangor Darul Ehsan	6-storey Office Building	Freehold	Office cum Warehouse	2	41,873	21,047	14/05/2013
HS(D) No. 131905 PT No. 49975 92 Units of Parking Bay Block C, Platinum Cheras Jalan Cheras Zen 1A, 43200, Cheras Selangor Darul Ehsan	Covered Car Parks	Freehold	-	N.A	-	1,375	28/11/2014

LIST OF PROPERTIES

HELD BY THE GROUP AS AT 30 JUNE 2016

Location of Property	Description	Tenure	Existing Use	Age of Building (Year)	Area (Sq Ft)	Carrying Amount RM'000	Date of Acquisition
CRI SDN BHD							
PN(WP) 10175, Lot No. 31574 No. 2A, Jln Orkid Desa Desa Tun Razak, Cheras 56000 Kuala Lumpur.	3-storey Semi-detached Factory	Leasehold (Expiring in 2085)	Warehouse	5	11,119	4,201	19/04/2013
LONG BOW MANUFACTURING SDN BHD							
PM 1471 Lot No. 8417 Lot 18, Merlimau Industrial Estate Phase II 77300 Merlimau Melaka	Industrial Land and Building	Leasehold (Expiring in 2085)	Office cum Factory	30	135,100	4,510	07/02/1989
Lot No. PT 683 HS (D) 1499 No. 1483, Jalan Jasir Tmn Bunga Muhibbah 77300 Merlimau, Melaka	Single-Storey Semi-detached House	Freehold	Hostel	23	3,199	142	12/06/1992
GRN No. 57103 Lot No. 21085 No. 60, Jalan Kilang Midah Taman Midah, Cheras 56000 Kuala Lumpur	6-storey Industrial Building	Freehold	R&D Centre cum Warehouse	8	13,713	9,268	31/01/2008
PM 454 Lot 3226 Mukim Sempang, Daerah Jasir Negeri Malaka	Industrial Land	Leasehold (Expiring in 2081)	Vacant	N.A	85,917	776	08/02/2011
LUXURY PARADE SDN BHD							
HS(D) No. 72947 PT No. 3865 No. 3, Jalan 8/146, The Metro Centre Bandar Tasik Selatan 57000 Sungai Besi Kuala Lumpur	6-storey Shop-lot	Leasehold (Expiring in 2087)	Rented Out (Partially)	18	1,920	1,600	10/01/1995
HS(D) No. 72948 PT No. 3866 No. 5, Jalan 8/146, The Metro Centre Bandar Tasik Selatan 57000 Sungai Besi Kuala Lumpur	6-storey Shop-lot	Leasehold (Expiring in 2087)	Rented Out (Partially)	18	1,920	1,600	10/01/1995
HS(D) No. 182 PT15 SEK 4 Unit No. G0.07, Plaza Bukit Mertajam 566, Jalan Arumugam Pillai 14000 Bukit Mertajam Pulau Pinang	Shopping Complex Lot	Freehold	Rented Out	18	1,038	830	19/03/1995

LIST OF PROPERTIES

HELD BY THE GROUP AS AT 30 JUNE 2016

Location of Property	Description	Tenure	Existing Use	Age of Building (Year)	Area (Sq Ft)	Carrying Amount RM'000	Date of Acquisition
LUXURY PARADE SDN BHD (cont'd)							
PN48698, Lot 539, Seksyen 91A Unit No. 1.48, Level 3 Viva Home Shopping Mall 85, Jalan Loke Yew 55200 Kuala Lumpur	Shopping Complex Lot	Leasehold (Expiring in 2110)	Rented Out	19	1,098	988	26/05/1995
Strata Geran 61152/M1/1/2 Strata Geran 61152/M1/B1/1 The Club House Angkasa Condominium No. 5, Jalan Puncak Gading Taman Connaught, Cheras 56000 Kuala Lumpur	Club House	Freehold	Rented Out (Partially)	10	7,599	1,500	03/02/2005
Strata Geran 61152/M1/1/2 154 Units of Parking Bay Angkasa Condominium No. 5, Jalan Puncak Gading Taman Connaught, Cheras 56000 Kuala Lumpur	Condominium Covered & Uncovered Car Parks	Freehold	Rented Out (Partially)	N.A.	-	-	20/06/2008
HS(D) No. 102556 PT8200 2nd Floor, Asmah Tower Lot 18112, Jalan Cerdas Taman Connaught, Cheras 56000 Kuala Lumpur	Office Lot	Freehold	Rented Out	11	7,135	2,084	25/10/2013
HS(D) No. 102556 PT8200 3rd, 4th, 5th & 6th Floor, Asmah Tower Lot 18112, Jalan Cerdas Taman Connaught, Cheras 56000 Kuala Lumpur	Office Lot	Freehold	Office	11	28,540	6,108	06/01/2005
HS(D) No. 102556 PT8200 8th Floor & 9th Floor (Penthouse) Asmah Tower Lot 18112, Jalan Cerdas Taman Connaught, Cheras 56000 Kuala Lumpur	Office Lot	Freehold	Office	11	14,270	3,300	11/04/2011
HS(D) No 76874-76878 PT 92 - 96 Unit No L1-046 Plaza Rakyat Pudu, Kuala Lumpur	Shopping Complex Lot	Leasehold (Expiring in 2081)	Under Construction	N.A.	524	-	23/05/1996

LIST OF PROPERTIES

HELD BY THE GROUP AS AT 30 JUNE 2016

Location of Property	Description	Tenure	Existing Use	Age of Building (Year)	Area (Sq Ft)	Carrying Amount RM'000	Date of Acquisition
LUXURY PARADE SDN BHD (cont'd)							
PN(WP) 10228, Lot No. 31627 No. 5, Jalan Orkid Desa Desa Tun Razak, Cheras 56000 Kuala Lumpur	3-storey Detached Factory	Leasehold (Expiring in 2085)	Warehouse	6	13,595	3,832	15/01/2008
Strata Geran 61148/M2/1/235, 236, 237, 238 Strata Geran 61148/M1/1/2, 3, 4, 5 A-0-1, A-0-2, A-0-7, A-0-8, B-0-5, B-0-6, B-0-7 & B-0-8 Puncak Banyan Condo Jalan 3/118B, Taman Sri Cendekia 56000 Kuala Lumpur	8 unit Shop Lots	Freehold	Rented Out (Partially)	9	6,566	1,115	13/03/2009
Geran 61154 Lot 39891 Parcel No. L6-03A, L6-05, L6-06 Ikon Connaught Lot 160, Jalan Cerdas Taman Connaught, Cheras 56000 Kuala Lumpur	3 unit Office Suites	Freehold	Office	2	2,163	1,458	01/10/2014
Geran 61154 Lot 39891 Parcel No. L7-01, L7-02, L7-03, L7-03A, L7-05, L7-06, L7-07, L7-08, L7-09, L7-10, L7-11, L7-12, L7-13, L7-13A, L7-15, L7-16, L7-17 Ikon Connaught Lot 160, Jalan Cerdas Taman Connaught, Cheras 56000 Kuala Lumpur	17 unit Office Suites	Freehold	Office	2	18,747	10,186	11/05/2011
Geran 61154 Lot 39891 Parcel No. L8-01, L8-02, L8-03, L8-03A, L8-05, L8-06, L8-07, L8-08 Ikon Connaught Lot 160, Jalan Cerdas Taman Connaught, Cheras 56000 Kuala Lumpur	8 unit Office Suites	Freehold	Office	2	15,347	8,772	13/06/2012
HS(D) No. 131905 PT No. 49975 Block A, Platinum Cheras Jalan Cheras Zen 1A, 43200, Cheras Selangor Darul Ehsan	6-storey Office Building	Freehold	Office cum Warehouse	2	65,574	30,205	19/10/2011

LIST OF PROPERTIES

HELD BY THE GROUP AS AT 30 JUNE 2016

Location of Property	Description	Tenure	Existing Use	Age of Building (Year)	Area (Sq Ft)	Carrying Amount RM'000	Date of Acquisition
LUXURY PARADE SDN BHD (cont'd)							
HS(D) No. 131905 PT No. 49975 Block B, Platinum Cheras Jalan Cheras Zen 1A, 43200, Cheras Selangor Darul Ehsan	6-storey Office Building	Freehold	Office cum Warehouse	2	32,838	14,954	19/10/2011
HS(D) No. 131905 PT No. 49975 231 Units of Parking Bay Block A & B, Platinum Cheras Jalan Cheras Zen 1A, 43200, Cheras Selangor Darul Ehsan	Covered Car Parks	Freehold	-	N.A.	-	3,453	21/11/2014
MAHA ASIA CAPITAL SDN BHD							
Geran 27239 Lot 457 Seksyen 67 No.10, Jalan Delima, 55100 Kuala Lumpur	Land with Single-storey Detached House	Freehold	Rented Out	N.A.	15,109	21,000	29/10/2013
PT ACTIVE WORLD							
D23 & D25, Jln Marina Raya Rukan Cordoba Pantai Indah Kapuk Jakarta Utara, Indonesia	3-storey Shop-office	Leasehold (Expiring in 2032)	Rented Out	12	4,037	2,065	27/06/2011
Unit no. 19-09, Pakuwon Center Tunjungan Plaza (City) Jalan Embong Malang, Surabaya Indonesia	Office Suite	Leasehold (Individual title not yet issued)	Under Construction	N.A.	2,777	753	25/09/2012
Unit B-02, Waterplace Residence Pakuwon Indah, Surabaya Indonesia	3 1/2-storey Shop-office	Leasehold (Individual title not yet issued)	Rented Out	7	2,260	3,226	24/10/2012

LIST OF PROPERTIES

HELD BY THE GROUP AS AT 30 JUNE 2016

Location of Property	Description	Tenure	Existing Use	Age of Building (Year)	Area (Sq Ft)	Carrying Amount RM'000	Date of Acquisition
PT BANYAN CEMERLANG							
Boutique Office Lot 5, No. 3 Komplek Cengkareng Business Centre Jl.Atang Sanjaya, No. 21, Rt:004 Rw:006 Kelurahan Benda, Kecamatan Benda Kotamadya Tangerang, Banten15125 Indonesia	Boutique Office 6-storey + 2-storey basement	Leasehold (Individual title not yet issued)	Under Construction	N.A.	9,935	3,660	25/08/2015
Boutique Office Lot 5, No. 5 Komplek Cengkareng Business Centre Jl.Atang Sanjaya, No. 21, Rt:004 Rw:006 Kelurahan Benda, Kecamatan Benda Kotamadya Tangerang, Banten15125 Indonesia	Boutique Office 6-storey + 2-storey basement	Leasehold (Individual title not yet issued)	Under Construction	N.A.	9,935	3,660	25/08/2015
PT JECO INVESTMENT INDONESIA							
Boutique Office Lot 5, No. 2 Komplek Cengkareng Business Centre Jl.Atang Sanjaya, No. 21, Rt:004 Rw:006 Kelurahan Benda, Kecamatan Benda Kotamadya Tangerang, Banten15125 Indonesia	Boutique Office 6-storey + 2-storey basement	Leasehold (Individual title not yet issued)	Under Construction	N.A.	9,935	3,095	22/03/2016

ANALYSIS OF SHAREHOLDINGS

AS AT 27 SEPTEMBER 2016

Authorised share capital	: RM250,000,000
Issued and fully paid-up Capital	: RM201,571,850
Class of shares	: Ordinary shares of RM0.25 each
Voting rights	: 1 vote per ordinary share held on a poll 1 vote per shareholder/proxy/corporate representative present on a show of hands
No. of shareholders	: 4,757

DISTRIBUTION OF SHAREHOLDINGS

Size of shareholdings	No. of shareholders		No. of shares		Percentage (%) of Issued capital	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
Less than 100	31	1	1,042	72	0.00	0.00
100 to 1,000	359	12	241,334	9,100	0.03	0.00
1,001 to 10,000	2,368	24	13,658,376	155,100	1.69	0.02
10,001 to 100,000	1,692	33	50,833,452	1,353,000	6.30	0.17
100,001 to less than 5% of issued shares	210	23	232,842,228	41,795,488	28.88	5.18
5% and above of issued shares	2	2	311,029,168	154,369,040	38.58	19.15
Total	4,662	95	608,605,600	197,681,800	75.48	24.52
Grand Total		4,757		806,287,400		100.00

Note:

The above information is based on the Record of Depositors as at 27 September 2016 provided by Bursa Malaysia Depository Sdn Bhd and the number of holders reflected is in reference to CDS account numbers

SUBSTANTIAL SHAREHOLDERS

Name	Shareholdings			
	Direct	Percentage (%) of Issued capital	Indirect	Percentage (%) of Issued capital
Bonia Holdings Sdn Bhd	199,987,968	24.80	-	-
Freeway Team Sdn Bhd	111,041,200	13.77	-	-
Milingtonia Limited	90,189,040	11.19	-	-
Albizia Asean Opportunities Fund	64,180,000	7.96	-	-
Chiang Sang Sem	10,566,300	1.31	368,707,104 ⁽¹⁾	45.73

Note:

(1) Deemed interested by virtue of: (i) shares held through his substantial shareholdings in Bonia Holdings Sdn Bhd, Freeway Team Sdn Bhd and Kontrak Kosmomaz Sdn Bhd, (ii) shares held in trust by Able Wealth Assets Ltd (the shareholder of Able Wealth Assets Ltd is HSBC International Trustee Ltd, the trustee of a trust, the beneficiaries of which are Chiang Sang Sem and his family members), and (iii) his spouse and children's direct interest in the Company

ANALYSIS OF SHAREHOLDINGS

AS AT 27 SEPTEMBER 2016

DIRECTORS' SHAREHOLDINGS

Name	Shareholdings			Percentage (%) of Issued capital
	Direct	Percentage (%) of Issued capital	Indirect	
Chiang Sang Sem	10,566,300	1.31	368,707,104 ⁽¹⁾	45.73
Chiang Fong Yee (Alternate Director to Chiang Sang Sem)	5,050,600	0.63	40,000 ^{(2) & (5)}	0.00
Datuk Chiang Heng Kieng	-	-	176,000 ⁽²⁾	0.02
Chiang Sang Bon	1,550,000	0.19	2,116,000 ⁽³⁾	0.26
Chiang Fong Tat	2,069,400	0.26	100,000 ⁽²⁾	0.01
Dato' Sri Chiang Fong Seng	1,649,900	0.20	-	-
Chong Chin Look	500,000	0.06	90,000 ⁽⁴⁾	0.01
Datuk Ng Peng Hong @ Ng Peng Hay	-	-	-	-
Dato' Shahbudin Bin Imam Mohamad	-	-	-	-
Chong Sai Sin	-	-	-	-

Notes:

- (1) Deemed interested by virtue of: (i) shares held through his substantial shareholdings in Bonia Holdings Sdn Bhd, Freeway Team Sdn Bhd and Kontrak Kosmomaz Sdn Bhd, (ii) shares held in trust by Able Wealth Assets Ltd (the shareholder of Able Wealth Assets Ltd is HSBC International Trustee Ltd, the trustee of a trust, the beneficiaries of which are Chiang Sang Sem and his family members), and (iii) his spouse and children's direct interest in the Company
- (2) Deemed interested by virtue of his spouse's direct interest in the Company
- (3) Deemed interested by virtue of his spouse and children's direct interest in the Company
- (4) Deemed interested by virtue of shares held through his substantial shareholdings in Taurus Brown Research Sdn Bhd
- (5) Negligible

LIST OF 30 LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shareholdings	Percentage (%) of Issued capital
1.	Bonia Holdings Sdn Bhd	199,987,968	24.80
2.	Freeway Team Sdn Bhd	111,041,200	13.77
3.	Maybank Nominees (Asing) Sdn Bhd Beneficiary: Pledged Securities Account for Milingtonia Limited	90,189,040	11.19
4.	CIMB Group Nominees (Asing) Sdn Bhd Beneficiary: Exempt An for DBS Bank Ltd	64,180,000	7.96
5.	Kontrak Kosmomaz Sdn Bhd	22,333,736	2.77
6.	HSBC Nominees (Asing) Sdn Bhd Beneficiary: Exempt An for The HongKong And Shanghai Banking Corporation Limited	21,661,100	2.69
7.	HSBC Nominees (Tempatan) Sdn Bhd Beneficiary: HSBC (M) Trustee Bhd for RHB Kidsave Trust	19,820,000	2.46
8.	Lembaga Tabung Haji	18,749,300	2.33
9.	Kumpulan Wang Persaraan (Diperbadankan)	12,369,100	1.53

ANALYSIS OF SHAREHOLDINGS

AS AT 27 SEPTEMBER 2016

No.	Name of Shareholders	No. of Shareholdings	Percentage (%) of Issued capital
10.	Chiang Sang Sem	9,066,300	1.12
11.	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary: Employees Provident Fund Board (RHB Inv)	7,900,000	0.98
12.	HSBC Nominees (Tempatan) Sdn Bhd Beneficiary: HSBC (M) Trustee Bhd for CIMB Islamic Dali Equity Theme Fund	7,655,400	0.95
13.	Amanahraya Trustees Berhad Beneficiary: Public Islamic Opportunities Fund	7,511,200	0.93
14.	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary: Employees Provident Fund Board (F Templeton)	6,136,300	0.76
15.	Chiang Heng Pang	5,501,600	0.68
16.	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary: Kumpulan Wang Persaraan (Diperbadankan) (RHB Inv)	5,100,000	0.63
17.	Alliancegroup Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged Securities Account for Wong Yee Hui	4,600,000	0.57
18.	HSBC Nominees (Tempatan) Sdn Bhd Beneficiary: HSBC (M) Trustee Bhd for RHB Growth And Income Focus Trust	4,084,000	0.51
19.	Chiang Boon Tian	4,078,000	0.51
20.	Citigroup Nominees (Asing) Sdn Bhd Beneficiary: CBNY for Emerging Market Core Equity Portfolio DFA Investment Dimensions Group Inc	4,050,400	0.50
21.	HSBC Nominees (Tempatan) Sdn Bhd Beneficiary: HSBC (M) Trustee Bhd for RHB Equity Trust	3,600,000	0.45
22.	HSBC Nominees (Tempatan) Sdn Bhd Beneficiary: HSBC (M) Trustee Bhd for Manulife Investment Progress Fund	3,453,800	0.43
23.	HSBC Nominees (Tempatan) Sdn Bhd Beneficiary: HSBC (M) Trustee Bhd for RHB Private Fund – Series 3	3,442,400	0.43
24.	Affin Hwang Nominees (Asing) Sdn Bhd Beneficiary: DBS Vickers Secs (S) Pte Ltd for Punit Khanna	3,091,000	0.38
25.	HSBC Nominees (Tempatan) Sdn Bhd Beneficiary: HSBC (M) Trustee Bhd for Pertubuhan Keselamatan Sosial	2,873,300	0.36
26.	HSBC Nominees (Tempatan) Sdn Bhd Beneficiary: HSBC (M) Trustee Bhd for RHB Dana Hazeem	2,748,400	0.34
27.	Chiang Fong Yee	2,547,300	0.32
28.	RHB Nominees (Asing) Sdn Bhd Beneficiary: Exempt An for RHB Securities Singapore Pte Ltd	2,520,000	0.31
29.	Chiang Fong Yee	2,503,300	0.31
30.	Cartaban Nominees (Asing) Sdn Bhd Beneficiary: BBH And Co Boston for Fidelity Low-Priced Stock Fund	2,503,000	0.31
	Total	655,297,144	81.28

Note:

The above information is based on the Record of Depositors as at 27 September 2016 provided by Bursa Malaysia Depository Sdn Bhd and without aggregating securities from different securities accounts belonging to the same person

NOTICE OF 25TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Fifth Annual General Meeting of the Company will be held at Perdana Ballroom (First Floor), Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Tuesday, 22 November 2016 at 2.00 p.m. for the transaction of the following businesses:

AGENDA

ORDINARY BUSINESS

- | | | |
|----|---|------------------------------------|
| 1. | To receive the Audited Financial Statements for the financial year ended 30 June 2016 together with the reports of the Directors and Auditors thereon. | Please refer to Explanatory Note 2 |
| 2. | To declare a Final Dividend of 5% under single tier system in respect of the financial year ended 30 June 2016. | <i>Ordinary Resolution 1</i> |
| 3. | To approve the Directors' fees of RM600,000 for the financial year ended 30 June 2016 to be divided amongst the Directors in such manner as they may determine. | <i>Ordinary Resolution 2</i> |
| 4. | To re-elect the following Directors who retire pursuant to Article 77 of the Articles of Association of the Company: | |
| | (i) Chiang Sang Bon | <i>Ordinary Resolution 3</i> |
| | (ii) Chiang Fong Tat | <i>Ordinary Resolution 4</i> |
| 5. | To re-appoint Messrs BDO having consented to act as the Auditors of the Company and to authorise the Board of Directors to fix their remuneration. | <i>Ordinary Resolution 5</i> |

SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions, with or without modifications thereto:

- | | | |
|----|--|------------------------------|
| 6. | Re-appointment of Director pursuant to Section 129(6) of the Companies Act, 1965
"THAT pursuant to Section 129(6) of the Companies Act, 1965, Dato' Shahbudin Bin Imam Mohamad be and is hereby re-appointed as Director of the Company to hold office until the conclusion of the next Annual General Meeting." | <i>Ordinary Resolution 6</i> |
| 7. | Retention of Independent Director in accordance with the Malaysian Code Of Corporate Governance 2012
"THAT Datuk Ng Peng Hong @ Ng Peng Hay who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, be and is hereby retained as an Independent Non-Executive Director of the Company." | <i>Ordinary Resolution 7</i> |
| 8. | Authority to Issue Shares pursuant to Section 132D of the Companies Act, 1965
"THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to allot and issue not more than 10% of the issued and paid-up capital (excluding treasury shares, if any) of the Company at any time, upon such terms and conditions and for such purposes as the Directors in their absolute discretion deem fit or in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force, and that the Directors be and are hereby further authorised to make or grant offers, agreements or options which would or might require shares to be issued after the expiration of the approval hereof, and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so allotted and issued on the Bursa Malaysia Securities Berhad." | <i>Ordinary Resolution 8</i> |

NOTICE OF 25TH ANNUAL GENERAL MEETING

9. **Proposed Renewal of Shareholders' Mandate to enable Bonia Corporation Berhad to purchase up to 10% of its issued and paid-up share capital ("Proposed Share Buy-Back")**

"THAT subject to all the applicable laws and regulations, the Directors be and are hereby authorised to purchase the ordinary shares of the Company of RM0.25 each through the stock exchange of Bursa Malaysia Securities Berhad at any time upon such terms and conditions as the Directors in their absolute discretion deem fit provided that the aggregate number of shares purchased (which are to be treated as treasury shares) does not exceed 10% of the issued and paid-up share capital of the Company; and the funds allocated for the purchase of shares shall not exceed its retained profits and/or share premium account for the time being.

THAT the Directors be and are hereby further authorised to deal with the treasury shares in their absolute discretion (which may be distributed as dividends, resold and/or cancelled).

THAT such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company following the general meeting at which the Proposed Share Buy-Back was passed at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed either unconditionally or subject to conditions; or the expiration of the period within which the next annual general meeting after that date is required by law to be held; or the revocation or variation by ordinary resolution passed by the shareholders of the Company in a general meeting, whichever occurs first.

AND THAT the Directors and/or any of them be and are hereby authorised to do all acts and things (including executing such documents as may be required) to give effect to the aforesaid share buy-back in the best interest of the Company."

Ordinary Resolution 9

10. **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Renewal of RRPT Mandate")**

"THAT subject to all the applicable laws and regulations, approval be and is hereby given for the Company and/or its subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature with the related parties as set out in Part B of the Company's Circular to Shareholders dated 28 October 2016, provided that such transactions are necessary for the day-to-day operations in the ordinary course of business of the Company and/or its subsidiaries, made on an arm's length basis, on normal commercial terms which are not more favourable to the related parties than those generally available to the public, and are not to the detriment of the minority shareholders of the Company.

THAT such approval shall continue to be in force until the conclusion of the next annual general meeting of the Company following the general meeting at which the Proposed Renewal of RRPT Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or the expiration of the period within which the next annual general meeting after that date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965); or the revocation or variation by resolution passed by the shareholders of the Company in a general meeting, whichever is the earlier.

AND THAT the Directors and/or any of them be and are hereby authorised to complete and do all acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this resolution."

Ordinary Resolution 10

11. To transact any other ordinary business of which due notice has been given.

NOTICE OF 25TH ANNUAL GENERAL MEETING

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT subject to the approval of shareholders at the Twenty-Fifth Annual General Meeting of the Company to be held on Tuesday, 22 November 2016 at 2.00 p.m. the Final Dividend of 5% under single tier system in respect of the financial year ended 30 June 2016 will be paid on 15 December 2016 to the shareholders whose names appear in the Record of Depositors on 30 November 2016.

A Depositor shall qualify for entitlement to the dividend only in respect of:

- (i) shares transferred into the Depositor's Securities Account before 4.00 p.m. on 30 November 2016 in respect of ordinary transfers; and
- (ii) shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By Order of the Board

CHONG CHIN LOOK (MIA 8043)
CHOK KWEE WAH (MACS 00550)
TAN KEAN WAI (MAICSA 7056310)
 Company Secretaries

28 October 2016
 Kuala Lumpur

Notes:

1. Only a depositor whose name appears on the Record of Depositors as at 15 November 2016 shall be entitled to attend and vote at the meeting as well as for appointment of proxy(ies) to attend and vote on his stead.
2. A proxy may but need not be a member of the Company, an advocate, an approved company auditor or a person approved by the Registrar of Companies, and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
4. A member shall not, subject to Paragraphs (5) and (6) below, be entitled to appoint more than 2 proxies to attend and vote at the same meeting. Where a member appoints more than 1 proxy to attend and vote at the same meeting, such appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.
5. Where a member is an authorised nominee, as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least 1 proxy but not more than 2 proxies in respect of each securities account it holds which is credited with ordinary shares of the Company. The appointment of 2 proxies in respect of any particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
6. Where a member is an exempt authorised nominee (EAN) as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), there is no limit to the number of proxies which the EAN may appoint in respect of each omnibus account it holds. The appointment of 2 or more proxies in respect of any particular omnibus account shall be invalid unless the EAN specifies the proportion of its shareholding to be represented by each proxy.
7. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority shall be deposited at the Company's Registered Office at No. 17-1, Plaza Danau Desa 2, Jalan 4/109F, Taman Danau Desa, Off Jalan Kelang Lama, 58100 Kuala Lumpur, Wilayah Persekutuan, Malaysia not less than 48 hours before the time for holding the meeting or any adjournment thereof.

NOTICE OF 25TH ANNUAL GENERAL MEETING

Explanatory Notes:

1. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice will be put to vote by poll.
2. *Item 1 of the Agenda* - This item is meant for discussion only as pursuant to Section 169(1) of the Companies Act, 1965, it does not require shareholders' approval for the Audited Financial Statements. Henceforth, this item is not put forward for voting.
3. *Items 6 & 7 of the Agenda* - The resolutions, if approved, will authorise the continuity in office of the respective Directors. An annual assessment on the effectiveness of each Director (including the independence of Independent Non-Executive Directors) has been undertaken for the financial year ended 30 June 2016 and the result was satisfactory to the Board.
The passing of Ordinary Resolution 6 will require not less than three-fourth (3/4) of the approval of the members present and voting.
4. *Item 8 of the Agenda* - The resolution, if approved, will renew the existing mandate granted by the shareholders of the Company under Section 132D of the Companies Act, 1965 at the preceding annual general meeting held on 25 November 2015, and to empower the Directors to issue up to 10% of the issued and paid-up share capital (excluding treasury shares) of the Company from time to time for such purposes as the Directors consider would be in the best interest of the Company. This is to provide flexibility and avoid any delay and cost in convening a general meeting for such issuance of shares for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding current or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or so forth. The authorisation, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next annual general meeting or the expiration of the period within which the next annual general meeting is required by law to be held, whichever is the earlier.
As at the date of this Notice, no new shares in the Company were issued pursuant to the existing mandate which will lapse at the conclusion of the forthcoming annual general meeting.
5. *Items 9 & 10 of the Agenda* - The details of the proposals are set out in Parts A and B of the Circular to Shareholders dated 28 October 2016, which is despatched together with the Company's Annual Report 2016.

STATEMENT ACCOMPANYING NOTICE OF TWENTY-FIFTH ANNUAL GENERAL MEETING (“25th AGM”)

[Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“MMLR”)]

Details of Individuals who are standing for election as Directors

No individual is seeking election as a Director at the forthcoming 25th AGM of the Company.

Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the MMLR

The details of the general mandate are set out in Item 4 of the Explanatory Notes of the Notice of 25th AGM dated 28 October 2016.

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FORM OF PROXY



BONIA CORPORATION BERHAD
(223934-T)

I/We _____

NRIC/Passport/Company No.: _____ Tel No. : _____

CDS Account No.: _____ Number of Share Held: _____

Address: _____

being a member of BONIA CORPORATION BERHAD (223934-T) hereby appoint:

1. Name of Proxy: _____ NRIC/Passport No.: _____

Address: _____

_____ Number of Shares Represented: _____

2. Name of Proxy: _____ NRIC/Passport No.: _____

Address: _____

_____ Number of Shares Represented: _____

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf, at the Twenty-Fifth Annual General Meeting of the Company to be held at Perdana Ballroom (First Floor), Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Tuesday, 22 November 2016 at 2.00 p.m., or at any adjournment thereof, as indicated below:-

No.	Resolutions		For	Against
1.	Ordinary Resolution 1	Declaration of Final Dividend		
2.	Ordinary Resolution 2	Approval for Directors' fees		
3.	Ordinary Resolution 3	Re-election of Chiang Sang Bon as Director		
4.	Ordinary Resolution 4	Re-election of Chiang Fong Tat as Director		
5.	Ordinary Resolution 5	Re-appointment of Messrs BDO as Auditors and to authorise the Directors to fix their remuneration		
6.	Ordinary Resolution 6	Re-appointment of Dato' Shahbudin Bin Imam Mohamad as Director		
7.	Ordinary Resolution 7	Retention of Datuk Ng Peng Hong @ Ng Peng Hay as Independent Non-Executive Director		
8.	Ordinary Resolution 8	Authority to issue shares pursuant to Section 132D of the Companies Act, 1965		
9.	Ordinary Resolution 9	Proposed Renewal of Shareholders' Mandate to enable Bonia Corporation Berhad to purchase up to 10% of its issued and paid-up share capital		
10.	Ordinary Resolution 10	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a revenue or trading nature		

Please indicate with an "X" or "✓" in the space provided above how you wish your votes to be casted. If no specific direction as to voting is given, the proxy will vote or abstain at his/her discretion.

Signature/Seal of the Shareholder: _____

Date: _____

Notes:

1. Only a depositor whose name appears on the Record of Depositors as at 15 November 2016 shall be entitled to attend and vote at the meeting as well as for appointment of proxy(ies) to attend and vote on his stead.
2. A proxy may but need not be a member of the Company, an advocate, an approved company auditor or a person approved by the Registrar of Companies, and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
4. A member shall not, subject to Paragraphs (5) and (6) below, be entitled to appoint more than 2 proxies to attend and vote at the same meeting. Where a member appoints more than 1 proxy to attend and vote at the same meeting, such appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.
5. Where a member is an authorised nominee, as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least 1 proxy but not more than 2 proxies in respect of each securities account it holds which is credited with ordinary shares of the Company. The appointment of 2 proxies in respect of any particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
6. Where a member is an exempt authorised nominee (EAN) as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), there is no limit to the number of proxies which the EAN may appoint in respect of each omnibus account it holds. The appointment of 2 or more proxies in respect of any particular omnibus account shall be invalid unless the EAN specifies the proportion of its shareholding to be represented by each proxy.
7. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority shall be deposited at the Company's Registered Office at No. 17-1, Plaza Danau Desa 2, Jalan 4/109F, Taman Danau Desa, Off Jalan Kelang Lama, 58100 Kuala Lumpur, Wilayah Persekutuan, Malaysia not less than 48 hours before the time for holding the meeting or any adjournment thereof.

Fold this flap for sealing

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AFFIX STAMP

THE COMPANY SECRETARIES

BONIA CORPORATION BERHAD (223934-T)

No. 17-1, Plaza Danau Desa 2

Jalan 4/109F, Taman Danau Desa

Off Jalan Kelang Lama

58100 Kuala Lumpur

Wilayah Persekutuan Malaysia

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BONIA CORPORATION BERHAD

(223934-T)