

## PROFILES OF KEY SENIOR MANAGEMENT

### AS AT 01 OCTOBER 2024

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

### Other Key Senior Management

#### WONG KWONG TUNG

Malaysian, Aged 38, Male

Wong Kwong Tung joined Bonia Group in March 2021 as Deputy Chief Financial Officer and promoted to Group Chief Financial Officer on 1 July 2022. He is responsible for the Group's overall financial operations, investor relations, and IT functions. He is currently leading the Group's digital transformation strategy in driving innovation, implementing new technologies to streamline operations and enhance overall efficiency.

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

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

#### WONG SAU YEE

Malaysian, Aged 49, Male

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

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

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

**PROFILES OF KEY SENIOR MANAGEMENT**  
AS AT 01 OCTOBER 2024

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**GAN TECK HOCK *PMP***

Malaysian, Aged 55, Male

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

**TEOH SIM KEAT**

Malaysian, Aged 50, Male

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

**DATIN SRI LINDA CHEN MAY YEN**

Malaysian, Aged 40, Female

Datin Sri Linda Chen is the Creative Director for BONIA and BRAUN BUFFEL. She leads the creative vision for product developments, marketing campaigns and boutiques interior concepts.

Datin Sri Linda Chen rejoined Bonia Group in June 2019 as Marketing & Communications Director and was responsible in managing the BONIA Marketing & Communications, Public relations, Store Enhancement and Renovation Projects. In 2021, she also took on BRAUN BUFFEL and led both division in developing the new vision and rebranding strategy to appeal and acquire the younger market.

She graduated with a Bachelor of Business And Commerce degree in Marketing and Management from Monash University, Melbourne in year 2006. Upon graduating, she started her career as a management trainee in the beauty and fragrance industry, and later on joined Citibank for a short stint. In 2009, She joined the Bonia Group and began her career in the fashion industry as a Brand Manager in Singapore.

## PROFILES OF KEY SENIOR MANAGEMENT

### AS AT 01 OCTOBER 2024

#### MUSNIARNI MASSEWA

Indonesian, Aged 59, Female

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

#### LIM WEI SOOK

Malaysian, Aged 39, Female

Lim Wei Sook joined Bonia Corporation Berhad in September 2023 as the Director of Digital Commerce, bringing over 15 years of expertise in e-commerce and digital marketing within the luxury fashion industry in Hong Kong.

Before joining Bonia, she was heading the E-commerce & Digital department at PORTS Fashion Group, where she led the global market expansion and managed digital strategies for multiple brands since 2018. Her extensive career includes notable global marketing roles at ASH Footwear, Qeelin (Kering Group) Shanghai Tang (Richemont), John Hardy Jewelry, and Pandora Jewellery. She began her career at Ogilvy & Mather Kuala Lumpur in 2006 after earning a Bachelor of Arts in Advertising from RMIT University, Melbourne in 2005.

#### LIM KAM PIEW

Malaysian, Aged 55, Male

Daniel Lim joined Bonia Group as the General Manager, Sales and Operations in April 2022. He has over 20 years of experience in Sales and Operation, starting as an Assistant Manager for Club21 under the brand A/X Armani Exchange. He was promoted to Boutique Manager in year 2003 and was sent to New York for the market week, an event attended by the retail buyers to discover new collections, place their orders and decide what merchandise to purchase for the market and customer needs.

He has been heavily involved in merchandising and plan OTB (Open To Buy) and to control inventory.

During his 20 years prior to joining us, Daniel was given the opportunity to handle multiple brands such as CK Calvin Klein, Alexander Mc Queen, Bao Bao, Pleats Please and opened Black Barrett for Neil Barrett at Pavilion mall.

As Brand Manager in Club21, he oversees 10+ luxury stores and consistently maintains great relationship with the frontliners.

**PROFILES OF KEY SENIOR MANAGEMENT**  
AS AT 01 OCTOBER 2024

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**TAN SUI FOO**

Malaysian, Aged 47, Female

Shinny Tan was appointed as Bonia Group's General Manager of Group Information Technology in August 2023.

With over 20 years of experience managing technology projects across various sectors and industries, she has worked for both domestic and multinational companies. Her responsibilities include overseeing the company's digital transformation and IT initiatives, driving exceptional customer experiences, and creating strategies that add value to the organisation. Her expertise and leadership contribute significantly to Bonia Group's technological advancements and growth.

Shinny Tan holds a Bachelor of Computer Science from the University of Campbell, a Project Management Professional (PMP) certification, and an MBA from UCSI University.

**SIOW HUEY LOONG**

Malaysian, Male, Aged 60

Siow Huey Loong serves as a director in the subsidiary companies of Bonia Corporation Berhad, having been a key member of the Bonia Group since 1990. He earned a Diploma in Business Management from Kolej Tunku Abdul Rahman in 1987 and has extensive expertise in the retail industry, especially in footwear. His main responsibilities include product development planning and implementing marketing support strategies.

**ONG MAY CHIUN**

Malaysian, Female, Aged 60

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

## PROFILES OF KEY SENIOR MANAGEMENT

AS AT 01 OCTOBER 2024

### CHIANG SANG LING

Malaysian, Aged 54, Female

Chiang Sang Ling joined Bonia Group in 1992 as a Production Planner and was appointed Executive Director of LBJR Marketing Sdn. Bhd. on 1 July 2015.

She has over 30 years of experience as a merchandiser and brand manager of house brands and licensed brands. She is currently responsible for research and development, planning and implementing marketing strategies, and product distribution for licensed fashion products, including ladies' and men's leather goods and men's apparel.

### DATIN SRI TAN LOO YIN

Malaysian, Aged 46, Female

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

#### Notes:

- Chiang Sang Sem, Dato' Sri Chiang Fong Seng, Dato' Sri Chiang Fong Tat, Chiang May Ling, Datuk Chiang Heng Kieng, Chiang Fong Xiang, Datin Sri Tan Loo Yin, Datin Sri Linda Chen May Yen, and Chiang Sang Ling have family relationships.
- Save as disclosed, none of the Key Senior Management have:
  - any directorship in public companies and listed issuers;
  - any family relationship with any Directors and/or substantial shareholders of Company, and/or other Key Senior Management of Bonia Group;
  - any conflict of interest with the Company; and
  - any conviction for offences (other than traffic offences) within the past 5 years, and/or any public sanction or penalty imposed by regulatory bodies during FY2024.
- The Key Senior Management's interests in the Company (if any), are detailed in the Analysis of Shareholdings section of this Annual Report.

**CORPORATE STRUCTURE**  
AS AT 01 OCTOBER 2024



**BONIA CORPORATION BERHAD**

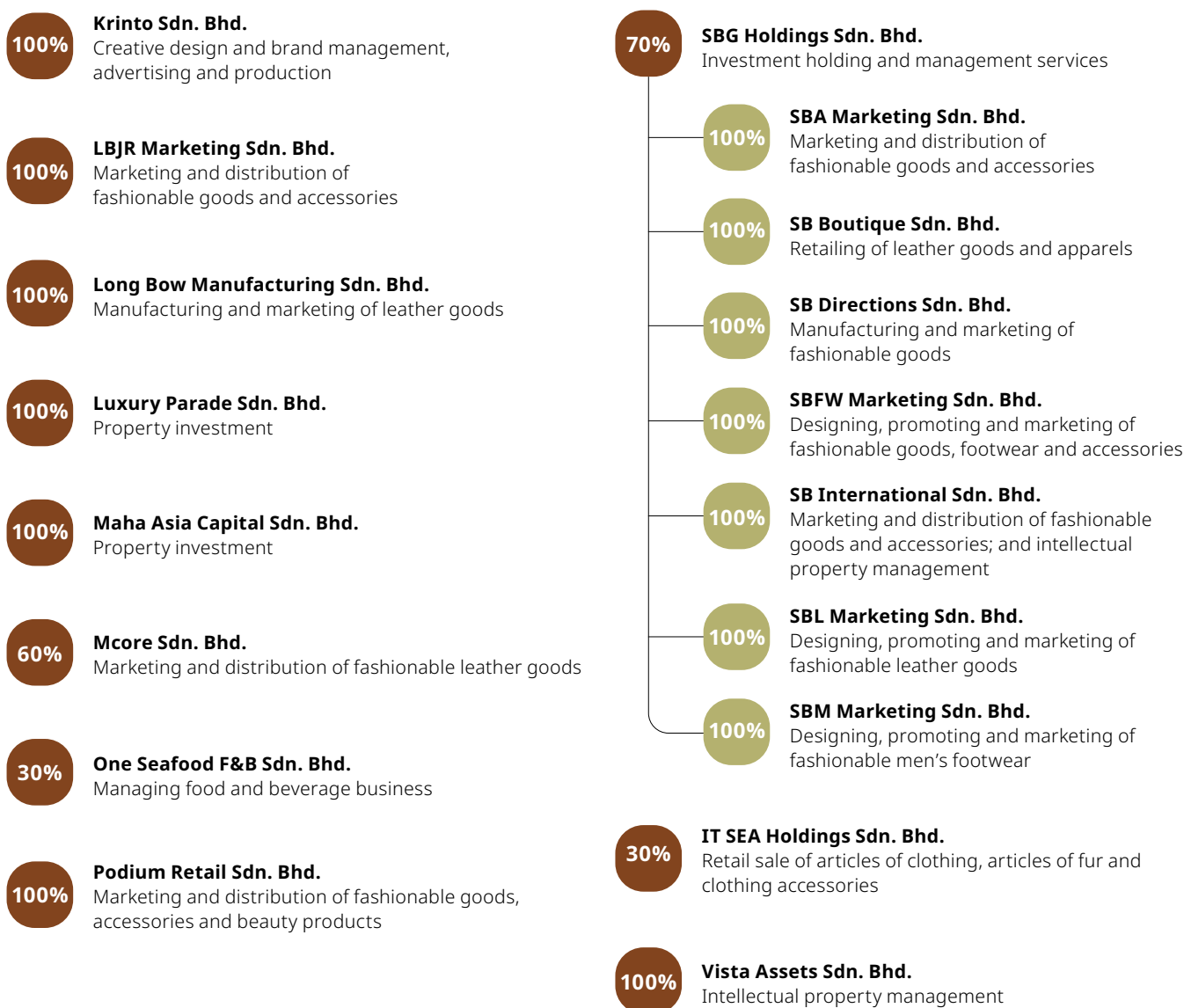


## CORPORATE STRUCTURE

AS AT 01 OCTOBER 2024

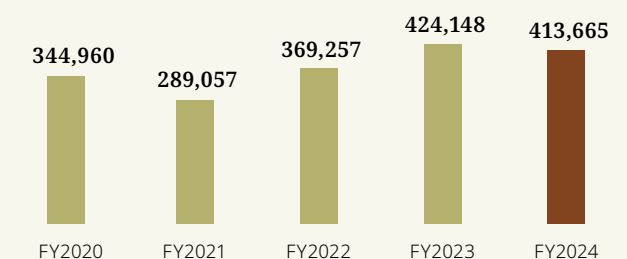


### BONIA CORPORATION BERHAD

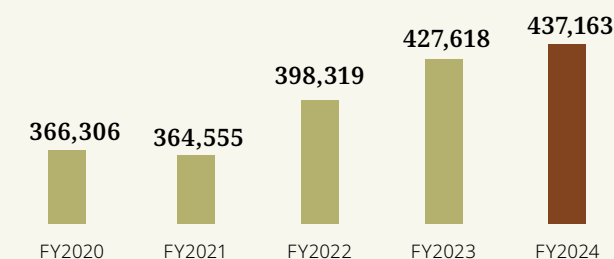


## GROUP FINANCIAL HIGHLIGHTS

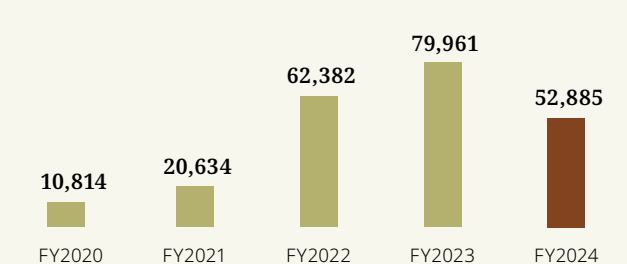
**Revenue  
(RM'000)**



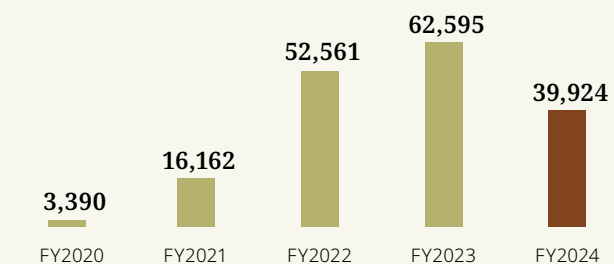
**Shareholders' equity  
(RM'000)**



**Profit before tax  
(RM'000)**



**Profit after tax  
(RM'000)**



	FY2020 RM'000	FY2021 RM'000	FY2022 RM'000	FY2023 RM'000	FY2024 RM'000
Revenue	344,960	289,057	369,257	424,148	413,665
Profit before tax	10,814	20,634	62,382	79,961	52,885
Profit after tax	3,390	16,162	52,561	62,595	39,924
Profit attributable to:					
- Shareholders of the parent	2,778	13,872	45,008	55,000	33,814
- Non-controlling interests	612	2,290	7,553	7,595	6,110
Shareholders' equity	366,306	364,555	398,319	427,618	437,163
No. of ordinary shares in issue (excluded treasury shares) ('000)	196,220 <sup>(2)</sup>	200,995	200,995	200,995	200,995
Weighted average no. of ordinary shares (excluded treasury shares) ('000)	196,906 <sup>(2)</sup>	194,965	200,995	200,995	200,995
Net assets per share (RM)	1.87	1.81	1.98	2.13	2.17
Basic EPS (sen)	1.41	7.12	22.39	27.36	16.82
Final and Interim dividend per share (sen)	2.00	4.00 <sup>(1)</sup>	19.00	12.00	8.00

Notes:

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

<sup>(2)</sup> In FY2020, the Company completed its share consolidation exercise following the consolidation of the Company's then existing number of shares of 806,287,400 shares (inclusive of 16,882,400 treasury shares) into 201,571,842 consolidated shares (inclusive of 4,220,600 consolidated treasury shares) and the listing of and quotation for the same on the Main Market of Bursa Malaysia Securities Berhad on 23 December 2019.



## BOARD REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS OVERVIEW

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

#### DEAR SHAREHOLDERS

We are honoured to present the Annual Report 2024, the Audited Financial Statements for the financial year ended 30 June 2024 and the Management Discussion and Analysis of results of operations and financial performance of Bonia Corporation Berhad ("Bonia") and its group of companies ("Bonia Group" or "Group").

#### Our Brands

BONIA

BRAUN BÜFFEL

SEMBONIA

#### Licensed Brands

WESANO

STARTER

Valentino Rudy  
ITALY

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

#### Partnership Brands

  
A BATHING APE®

  
Aape  
BY 'A BATHING APE®

i.t

  
UNDEFEATED®

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

For e-commerce channel, we operate our own online platform through [www.bonia.com.my](http://www.bonia.com.my), [www.sembonia.com](http://www.sembonia.com), [www.braunbuffel.com](http://www.braunbuffel.com), <https://thelbg.com>, and the major marketplaces such as Zalora, Shopee and Lazada. The Group has also expanded into social commerce such as BONIA and BRAUN BÜFFEL TikTok Shop.

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

In this rapidly evolving retail landscape, the Group understood that it's imperative that we reaffirm our commitment to brand building that not only thrives but endures through the tests of time. Our mission remained around the core to continue building resilient brands, to adapt, innovate and emerge stronger from every challenges.

## BOARD REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS STRATEGIES



#### Brand Partnership

To actively look for new brands to represent and introduce to our existing and/or targeted markets



#### Product Line Extension

Launching of full product line in Ready-to-wear and footwear for 2024/2025



#### Digital Transformation

Implementation of new ERP + POS + CRM to unify business processes across sales channels to improve productivity



#### E-commerce Expansion

Implementing a strategic multi-region e-commerce expansion  
Enrich social commerce content and conversion



#### International Brand Ambassador

International celebrity endorsement to boosts brand awareness, enhance credibility and gaining visibility for brands



#### Talent Management

Continuous training & development  
Career advances

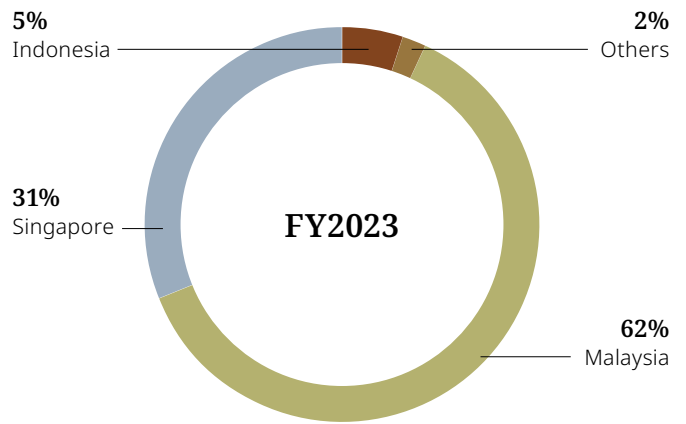
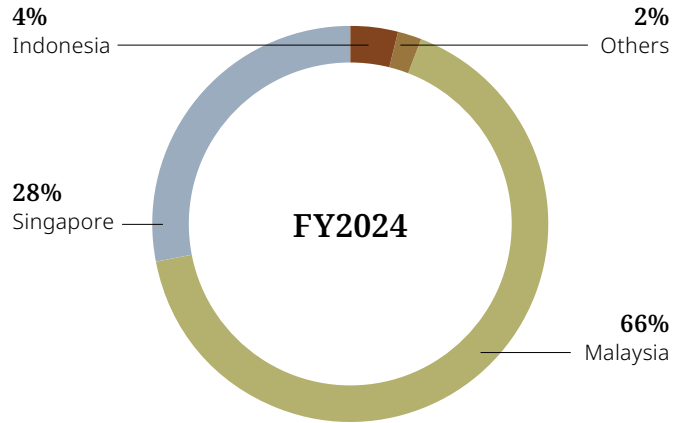


BOARD REPORT & MANAGEMENT DISCUSSION AND ANALYSIS



OPERATIONAL REVIEW

Retail revenue contribution by country:



RETAIL REVENUE:

FY2024: RM411 million

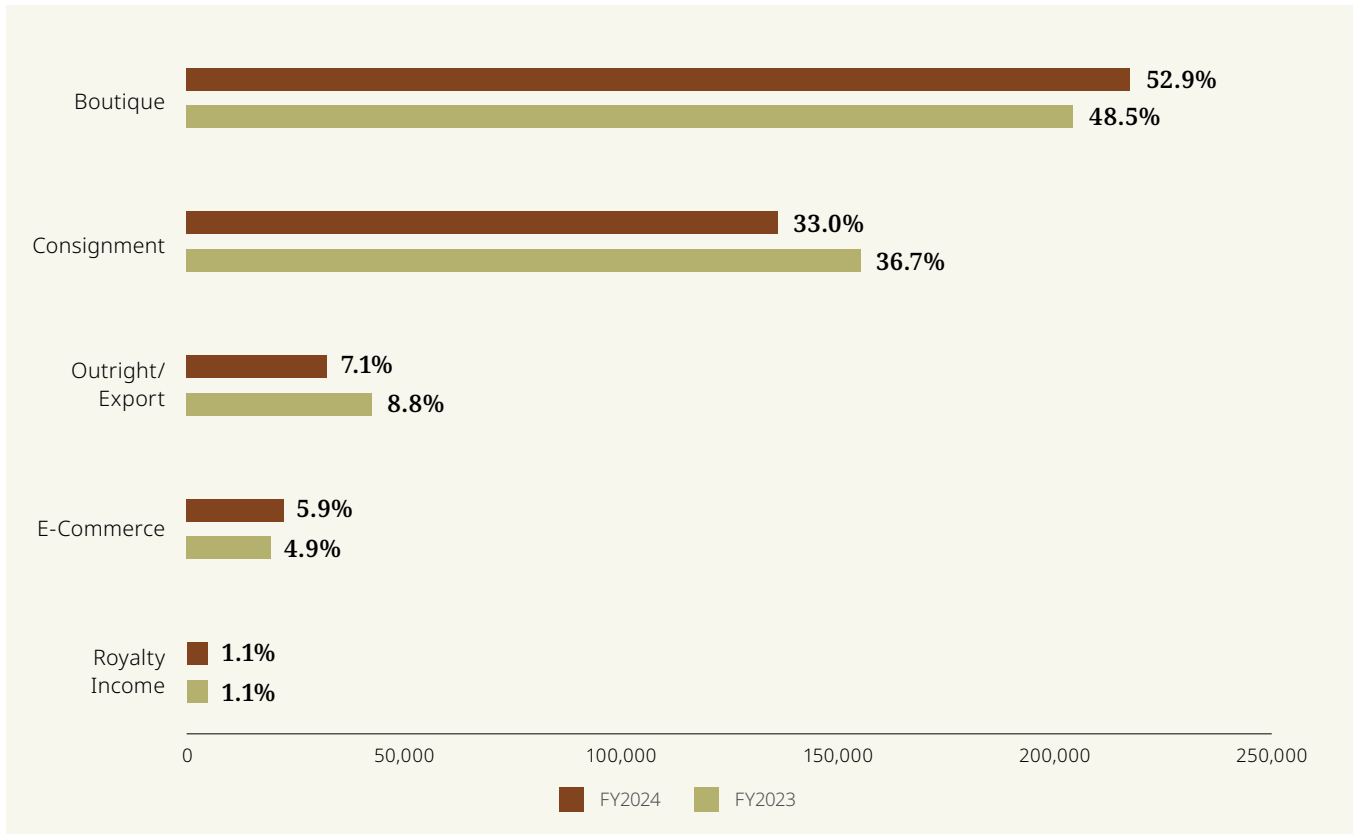
FY2023: RM421 million

The Group's retail operations continued to be the primary contributor to its financial performance. Malaysia remained our core market, followed by Singapore and Indonesia as depicted in the chart above. The Group saw a 2.4% decrease in revenue in the current financial year, driven by softer retail market in Singapore and Indonesia. Meanwhile, the Malaysian market remained robust and resilient, contributing significantly to the Group's overall performance. The Group's established brand presence combined with our expanding retail network in key locations across Malaysia, have further strengthened our market position.

## BOARD REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

### OPERATIONAL REVIEW (continued)

#### Retail revenue contribution by business segment:



The brick-and-mortar retail stores continued to drive the group’s revenue, accounted 52.9% of total retail revenue. Throughout the year, respective brands focused on enhancing the in-store customer experience and opening new stores in prominent shopping malls with high customer foot traffic. This has brought in 6.4% increase in boutique revenue during the year.

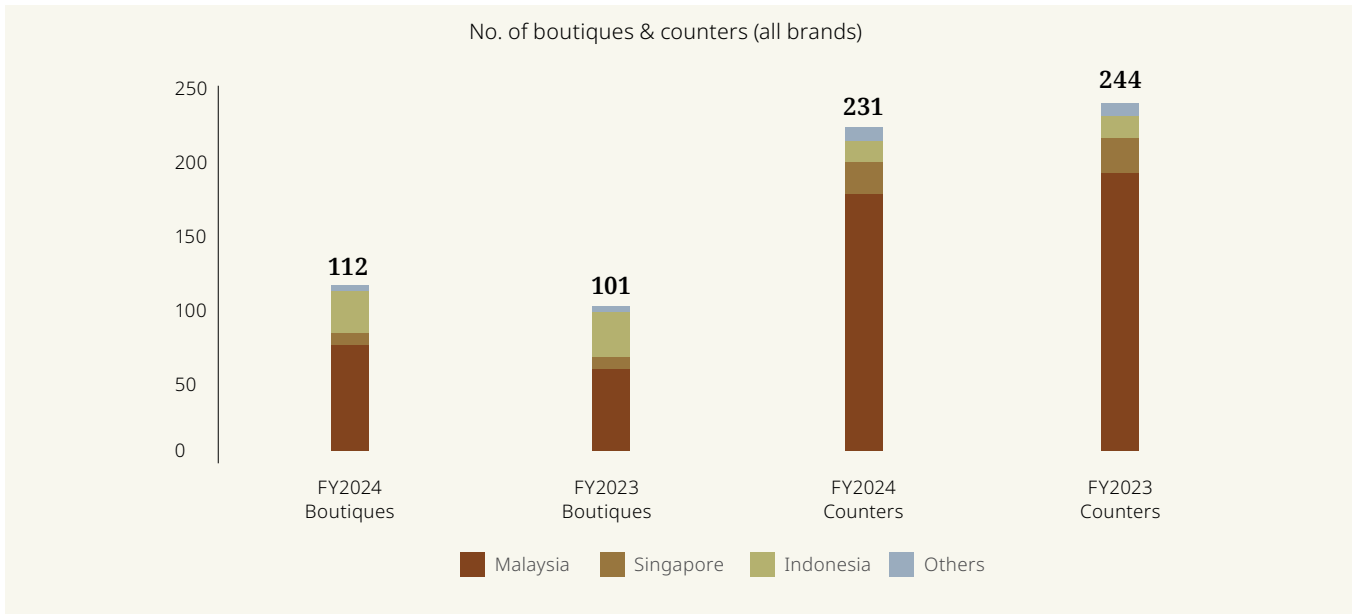
Conversely, revenue from consignment sales has declined as the Group continued to streamline its operations by closing underperform consignment counters. This aligned with the Group’s targeted marketing strategy, aimed at enhancing exclusivity and delivering distinctive boutique-style shopping experiences. Nevertheless, consignment revenue remained the Group’s second largest source of retail revenue, contributing 33.0% of the total retail revenue in FY2024.

During FY2024, e-commerce segment saw a positive rebound in sales, driven by a more targeted performance marketing and the return of online shoppers post-COVID-19 normalisation. As a result, the e-commerce revenue contribution increased to 5.9% of the total retail revenue.

## BOARD REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

### OPERATIONAL REVIEW (continued)

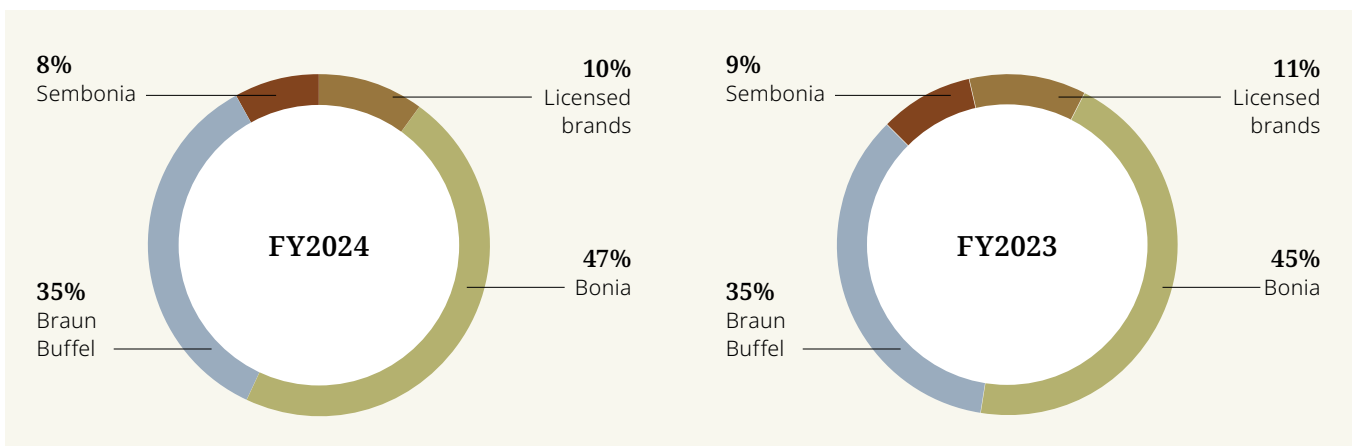
#### Store breakdown by countries:



In elevating its customers' in-store shopping experience, the Group upgraded its boutique design to stay current and relevant with ever evolving customer preferences and industry trends, conveying a message of quality, innovation, and commitment to our customer satisfaction. Leveraging its strong brand equity, the Group also successfully secured strategic locations for new stores and existing stores relocation during the financial year.

The decrease in number of departmental stores counter was due to the closure of non-performing counters and total of closure at 8 counters in Malaysia during the financial year.

#### Revenue contribution by brand:



## BOARD REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL ANALYSIS

**Table 1: Financial Performance**

	FY2024	FY2023	Increase/ (Decrease)
	RM'000	RM'000	%
Revenue	413,665	424,148	(2.5%)
Gross Profit ("GP")	251,499	259,381	(3.0%)
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	101,290	121,091	(16.4%)
Depreciation	(42,017)	(35,263)	19.2%
Amortisation	(1,367)	(1,405)	(2.7%)
Finance income and cost, net	(5,021)	(4,462)	12.5%
Profit before tax ("PBT")	52,885	79,961	(33.9%)
Taxation	(12,961)	(17,366)	(25.4%)
Profit after tax ("PAT")	39,924	62,595	(36.2%)
<b>Financial ratios</b>			
GP Margin	60.8%	61.2%	
EBITDA Margin	24.5%	28.5%	
PBT Margin	12.8%	18.9%	
PAT Margin	9.7%	14.8%	

The Group's revenue in FY2024 experienced a slight decrease of 2.5% year-on-year to RM413.7 million. The lower revenue was impacted by the softer retail market in Singapore and Indonesia. In Singapore, consumers were more cautious on discretionary spending due to the higher interest rate, increase in GST rate and inflationary pressure. Nonetheless, the lower revenue was offset by the higher revenue from the Malaysia market as the Group expanded its retail network by opening new boutiques in prime location across Malaysia.

While the gross profit margin remained stable, other ratios, such as the EBITDA margin, PBT margin and PAT margin, experienced declines due to the increase in operating expenses. These includes the increase in depreciation of right-of-use assets and property, plant and equipment due to opening of new stores, increase in marketing expenses and increase in staff costs. The increase in expenses is partially offset by the one-off reversal of impairment loss on trade and other receivables amounted to RM2.9 million in FY2023. The expansion of the retail network coupled with the brand building marketing expenses are important element for sustainable long-term growth for the respective brands.

Consequently, the Group reported net profit of RM39.9 million for FY2024, a decrease of 36.2% from RM62.6 million reported in FY2023.

#### Effective tax rate

The Group's effective tax rate increased from 21.7% in FY2023 to 24.5% in FY2024. The higher effective tax rate was due to under provision of tax expenses in prior year, and certain expenses incurred that were not eligible for tax deductions. The higher effective rate was partially offset by the recognition of previously unrecognised deductible temporary differences.

## BOARD REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL ANALYSIS (continued)

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

	FY2024	FY2023	Increase/ (Decrease)
	RM'000	RM'000	%
Total Assets	714,513	693,982	3.0%
Total Liabilities	231,223	238,378	(3.0%)
Net Assets/Shareholders' Equity	437,163	427,618	2.2%
Net Current Assets	199,608	189,101	5.6%
<b>Financial ratios</b>			
Quick ratio <sup>(1)</sup>	199.4%	182.2%	9.5%
Debt to equity ratio <sup>(2)</sup>	52.9%	55.7%	(5.1%)
<b>Working Capital Turnover Days</b>			
Inventories <sup>(3)</sup>	207	209	
Trade receivables <sup>(4)</sup>	26	26	
Trade payables <sup>(5)</sup>	(15)	(14)	
	218	221	

*Remark:*

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

<sup>(2)</sup> Formula:  $\text{Total liabilities} / \text{Shareholders' equity}$

<sup>(3)</sup> Formula:  $\text{Inventories} / \text{Cost of sales} \times 366 \text{ days}$

<sup>(4)</sup> Formula:  $\text{Trade receivables} / \text{Total revenue} \times 366 \text{ days}$

<sup>(5)</sup> Formula:  $\text{Trade payables} / \text{Cost of sales} \times 366 \text{ days}$

Total assets rose from RM694 million to RM715 million as at 30 June 2024, mainly attributed to the increase in right-of-use assets and property, plant and equipment as there were opening of new boutiques, lease renewal and refurbishment of existing boutiques during year.

Meanwhile, total liabilities decreased from RM238 million to RM231 million as at 30 June 2024. The decrease was primarily due to repayment of bank borrowings and payables. This was offset by higher lease liabilities due to the opening of new boutiques and lease renewal.

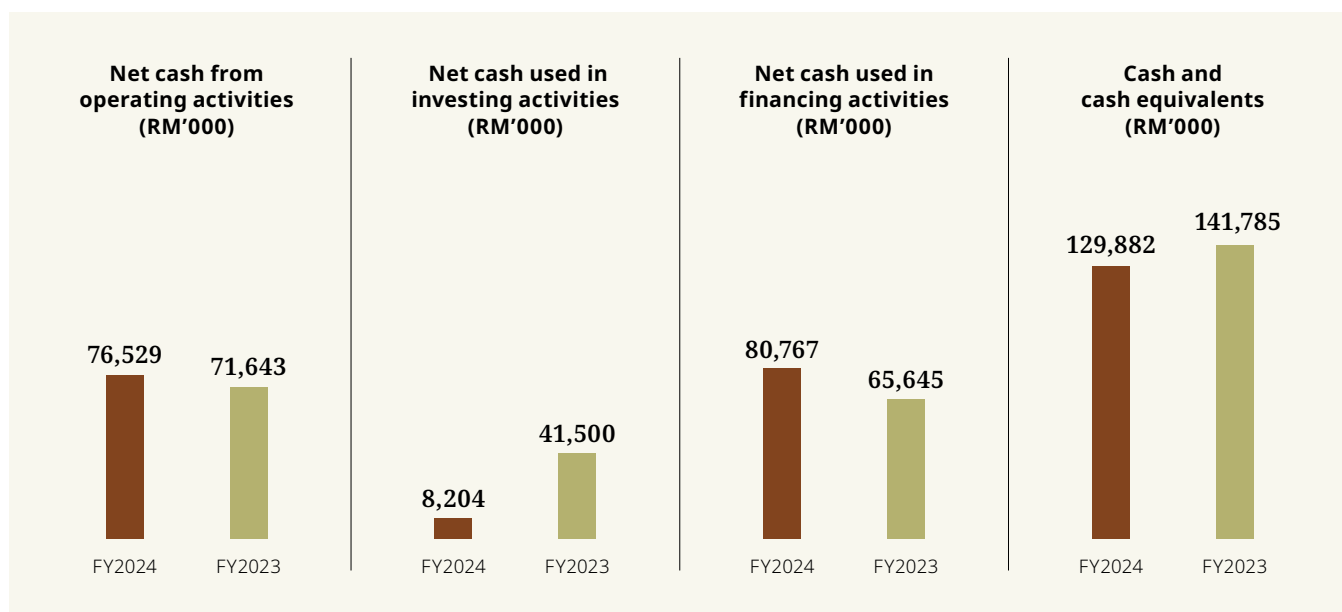
As of 30 June 2024, the Group's financial position remained healthy with shareholder's equity increase to RM437 million, from RM428 million in previous financial year.

Net working capital turnover days were relatively consistent as compared to previous financial year.



## BOARD REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL ANALYSIS (continued)



At the end of the financial year, the Group's cash and cash equivalents stood at RM130 million, a decrease by RM12 million from RM142 million in FY2023.

Cash generated from operating activities remain strong at RM77 million despite the decrease of profit before tax from RM80 million to RM53 million. This was due to the normalisation of supply chain and inventory balance maintain at a consistent level year-on-year.

Cash used in investing activities has decreased from RM42 million to RM8 million during the financial year. The decrease was primarily due to the purchased of land and building in previous financial year and receipt of RM16 million for disposal of 30% equity interest in a subsidiary during the financial year. However, the Group has placed RM12 million in fixed deposits with maturity period of above 3 months as at financial year end.

Cash used in financing activities has increased from RM66 million to RM81 million during the financial year. The increase was primarily due to higher repayments of trade financing facility, lower drawdown of borrowings and higher payment of lease rental as there were opening of new stores during the financial year.

### CHALLENGES FACED

The fashion retail industry in Malaysia and Singapore continues to face challenges due to deteriorating purchasing power, driven by the rising cost of living. Key factors contributing to these challenges are the gradual rationalisation of subsidies such as floating of diesel and petrol prices in Malaysia, increase in the service tax rate for many goods and services from 6.0% to 8.0% effective since 1 March 2024, elevated interest rate environment and rising assets prices.

According to Bank Negara Malaysia, the core inflation is expected to rise between 2.0% and 3.0% for 2024.

In addition, the retail industry is adapting to the rising staff costs as a result of the staff shortages and the implementation of the Employment (Amendment) Act 2022 in Malaysia and the Progressive Wage Model in Singapore.

The Group acknowledges these risks and maintains an ongoing process of monitoring and evaluating its business plan to ensure its vigilance in the prevailing business climate. Further details of our business risk management will be explained in detailed in the Statement of Risk Management and Internal Control.



## BOARD REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

### OUTLOOK & PROSPECTS

On 16 August 2024, Bank Negara Malaysia (BNM) forecasted Malaysia's gross domestic product (GDP) growth in 2024 closer to the upper end of the 4% to 5% range, supported by private consumption, expansion in employment and income, strong investment activities, exports and higher tourist spending.

The introduction of the Employee Provident Fund (EPF) Flexible Account 3 allows members under the age of 55 to withdraw their contributed fund anytime for personal use starting 12 May 2024. This measure provides some financial relief to Malaysian which could boost retail spending.

Since December 2023, Malaysian government has introduced visa-free policy for tourists from both China and India where it will benefit the overall retail businesses.

Malaysian government will increase the remuneration of civil servants of all grades in 2 phases, on 1 December 2024 and 1 January 2026. These increments are expected to stimulate retail sales for the coming year-end holiday.

Notwithstanding with the government policies above, the recent strengthening of Ringgit Malaysia against major currencies will benefit the Group as the purchases of raw material and spending on digital marketing expenses are mostly denominated in foreign currencies.

The Group's strategy of focusing on brand development through innovation and quality, coupled with the appointment of Nayeon from the renowned K-pop group TWICE as BONIA ambassador, positions the brand for strong consumer engagement. Nayeon's appearance at BONIA's 50th anniversary event at Pavilion Kuala Lumpur on 21 September 2024, highlighting the sustainable collection, further reinforces the brand's commitment to eco-friendly practices and ethical production. This approach aligns well with the growing consumer demand for sustainability in fashion, potentially enhancing brand loyalty and attracting a broader audience.

During the financial year, the group's collaborations with iconic names such as Keith Haring, the Smiley brand, and Basquiat demonstrate a strong emphasis on merging art with fashion, enhancing the brands' cultural relevance.

The Group will also focus on the new partnership brands where the Group invested in, namely "A Bathing Ape", "Aape" and "I.T." multi-label brand. These established lifestyle fashion brands with strong brand equity offers significant growth opportunities.

Overall, we expect the global headwinds to persist in the coming financial year and the impact of rising cost in Malaysia and Singapore. Nevertheless, we are putting in place strategies in building brand resiliency that will sustain our growth trajectory for the years ahead.

### MAJOR CORPORATE DEVELOPMENTS

Save for the Proposed Share Buy-Back as detailed in Bonia's Circular to shareholders in relation to the Proposed Renewal of Shareholders' Mandate to Enable Bonia Corporation Berhad To Purchase Up To 10% Of Its Total Number Of Issued Shares dated 30 October 2023, of which duly approved by our shareholders at the 32nd AGM held on 30 November 2023, there were no other corporate proposals announced but pending completion as at the date of this Report.

### UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

There were no fundraising exercises implemented during the financial year 2024.

### MATERIAL CONTRACTS INVOLVING THE INTERETS OF DIRECTORS AND/OR SUBSTANTIAL SHAREHOLDERS

During the FY2024, Bonia completed the disposal of 30% of our equity interest (equivalent to the then 60,298,537 ordinary shares in issue of SBG) held in SBG Holdings Sdn. Bhd. (a then wholly-owned subsidiary of the Company) to a related party namely Remarkable Success Sdn. Bhd., a company controlled by Dato' Sri Chiang Fong Tat (Group Executive Director) at a disposal consideration of RM17,597,330.

Also, the Company had on 9 July 2024, inked a subscription agreement with IT SEA Holdings Sdn. Bhd. ("ITSH"), a company in which Dato' Sri Chiang Fong Seng (Executive Vice Chairman/Group CEO) is a substantial shareholder, to formalise the subscription by the Company of 6,669,231 new ordinary shares equivalent to or representing 30% of the total enlarged number of issued shares of ITSH at the total subscription consideration of RM7,500,217. The subscription was completed after the FY2024.

Save as disclosed, there were no other material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company and its subsidiaries involving Directors' and substantial shareholders' interests during the FY2024 up to the date of this Report.

## BOARD REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

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### DIVIDENDS

In respect of the total dividend paid for the financial year ended 30 June 2024:

- i. First interim dividend of 2.00 sen per ordinary share (single tier) amounting to approximately RM4,020,000 for the financial year ended 30 June 2024 was declared on 30 November 2023, and was paid on 5 January 2024.
- ii. Second interim dividend of 2.00 sen per ordinary share (single tier) amounting to approximately RM4,020,000 for the financial year ended 30 June 2024 was declared on 29 February 2024, and was paid on 5 April 2024.
- iii. Third interim dividend of 2.00 sen per ordinary share (single tier) amounting to approximately RM4,020,000 for the financial year ended 30 June 2024 was declared on 27 May 2024, and was paid on 26 June 2024.

On 29 August 2024, the Board of Directors declared a single tier interim dividend of 2.00 sen per ordinary share amounted to approximately RM4,020,000 in respect of the financial year ended 30 June 2024, that were paid on 27 September 2024 to the shareholders whose names appeared in the Record of Depositors of the Company as at 13 September 2024. The dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 June 2025.

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

### ACKNOWLEDGEMENTS

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

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

For and on behalf of  
The Board of Bonia Corporation Berhad

### CHIANG SANG SEM

Founder and Group Executive Director

14 October 2024





## SUSTAINABILITY STATEMENT

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## SUSTAINABILITY STATEMENT

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### INTRODUCTION

At Bonia Corporation Berhad (“Bonia” or the “Company”), sustainability is at the heart of our operations, defined by our commitment to responsible business practices that address the environmental, economic, and social impacts of our strategies and activities. We acknowledge the critical importance of sustainability to our organisation and the integral role we play in ensuring our business is managed and operated safely, efficiently, and responsibly.

Bonia, together with its subsidiaries (the “Bonia Group” or “Group”), is dedicated to the continuous enhancement of our sustainability practices to safeguard the interests of all our stakeholders, including employees, communities, shareholders, and the environment.

This Sustainability Statement (“Statement”) is intended to serve as a communication bridge between Bonia Group and our stakeholders, offering insights and highlights of our progress in addressing sustainability-related issues across the Environmental, Social, and Governance (“ESG”) domains.

### ABOUT THIS STATEMENT

This Statement covers the period from 1 July 2023 to 30 June 2024 (“FY 2024”), aligning with the Group’s financial year. It encompasses our sustainability performance and initiatives within the retail operations of the Group, primarily focusing on our principal market in Malaysia, which is the main contributor to the Group’s revenue and profit, unless stated otherwise. We did not include associate companies in our reporting scope because the Group does not have full management control over these entities. External assurance for this Statement has not been sought.

We are committed to expanding our reporting scope and have enhanced our communication processes with key stakeholders, as detailed on pages 77 to 78.

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

## SUSTAINABILITY STATEMENT

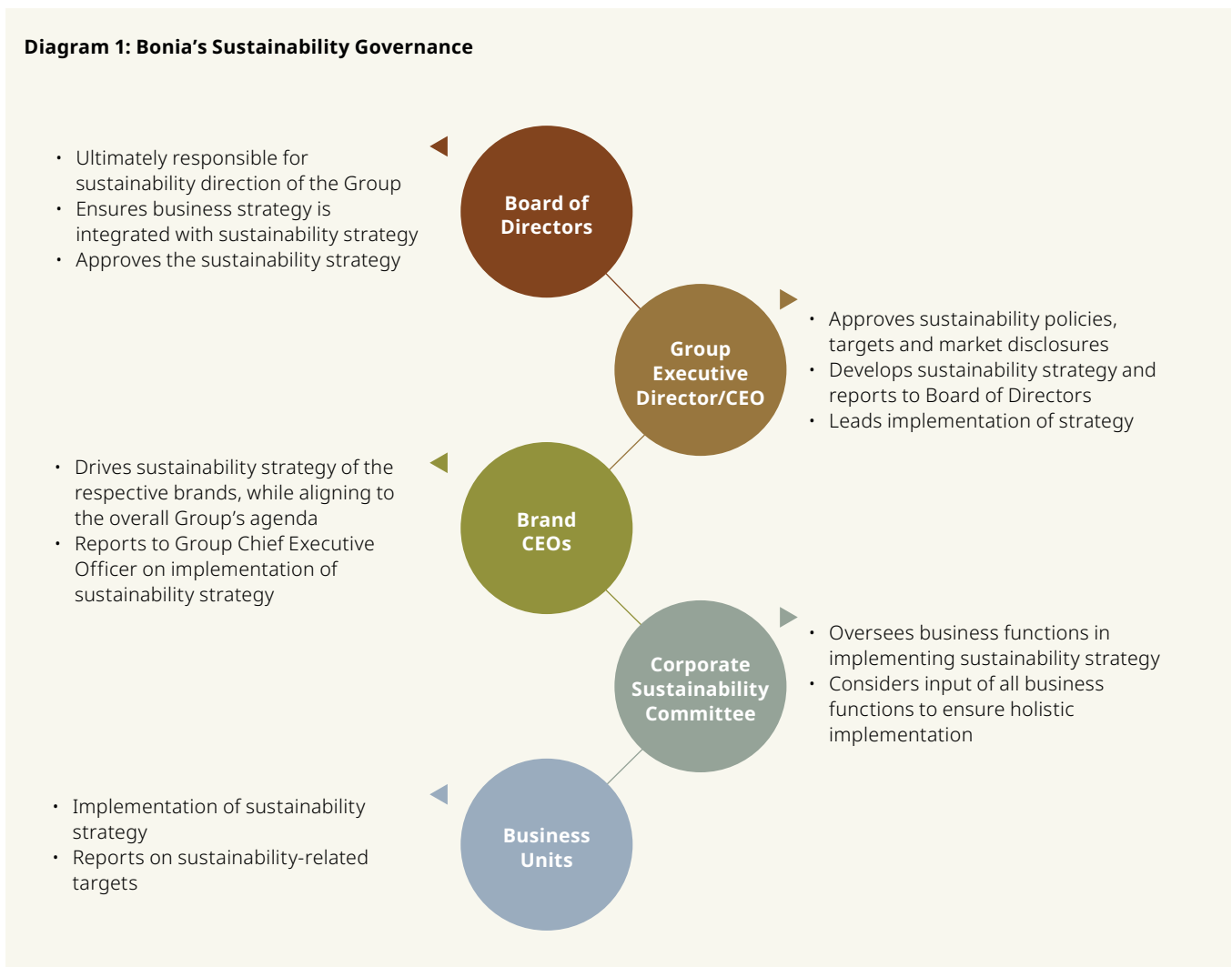
### REPORTING FRAMEWORK AND SUSTAINABILITY STATEMENT

#### Sustainability Governance

We have consistently evolved our governance structures to more effectively align with our sustainability goals. At Bonia, sustainability is ingrained in our core purpose, acknowledging that robust corporate governance requires strong leadership, accountability, transparency, and a deep sense of responsibility.

Our Board of Directors and Management are unwavering in their dedication to fulfilling the Group’s commitments to all stakeholders, including customers, employees, suppliers, and the broader society. We aim to weave sustainability practices throughout the organisation, ensuring we generate economic value while also respecting environmental and social imperatives. Bonia’s sustainability governance strategy involves integrating responsibility and proactive measures across all levels of the organisation. The Board plays a pivotal role in embedding the Group’s sustainability agenda into its overarching business strategy, championing change from the top.

The diagram below outlines the roles and responsibilities of our sustainability governing bodies:



The Board establishes the strategic direction and comprehensive sustainability plan for the Group. This governance framework originates at the Board level and cascades down to Senior Management and further to the working teams across the organisation. The Corporate Sustainability Committee plays a crucial role in overseeing and implementing sustainability initiatives, guiding the Group’s efforts to integrate social, environmental, and ethical considerations into business operations and stakeholder engagements.



## SUSTAINABILITY STATEMENT

### STAKEHOLDER MANAGEMENT AND ENGAGEMENT






Effective stakeholder management and engagement is vital for the success and sustainability of any organisation. As such, we ensure that we connect with our stakeholders through diverse channels, such as media interactions, social media platforms, and customer feedback systems. We deeply value the input of our stakeholders, fostering constructive communication through proactive and transparent dialogues to ensure our priorities are clearly understood and conveyed.

Further recognising the importance of cultivating strong, trustworthy relationships, we actively engage with various stakeholder groups as part of our strategy. Our team routinely reviews material topics from these engagements to ensure they align with global trends.

Given the nature of our business, which thrives on strong partnerships with a diverse range of stakeholders, we place great emphasis on robust stakeholder engagement. Through a structured and systematic approach, we ensure that our interactions are meaningful and impactful. This section provides a comprehensive overview of the topics of concern and how we manage various issues, reflecting our commitment to maintaining open and effective communication channels with all our partners.

The table below lists our approach to stakeholder engagement, including topics of concern and how we respond:

**Table 1: Bonia's Stakeholder Engagement**

Stakeholders	Group Expectations & Concerns	Method of Engagement	Frequency	Our Responses
 <b>Government/Regulatory Authority</b>	<ul style="list-style-type: none"> <li>Regulatory compliance, statutory duties</li> <li>Bursa Main Market Listing Requirements (Main "LR")</li> </ul>	<ul style="list-style-type: none"> <li>Meetings/discussions</li> <li>Attendance at seminars, forums, and dialogues</li> </ul>	<ul style="list-style-type: none"> <li>As and when required</li> </ul>	<ul style="list-style-type: none"> <li>Full compliance with relevant laws and regulations</li> </ul>
 <b>Employees</b>	<ul style="list-style-type: none"> <li>Talent retention and development</li> <li>Safe and secure working environment</li> <li>Alignment to Group strategic directions</li> </ul>	<ul style="list-style-type: none"> <li>Performance appraisal</li> <li>Meetings</li> <li>Learning and development portal</li> <li>Internal and external trainings</li> <li>Company engagement events</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Periodically</li> <li>As and when required</li> </ul>	<ul style="list-style-type: none"> <li>Key Performance Indicators ("KPIs")</li> <li>On-the-job training</li> <li>Health and safety policies</li> <li>Annual townhall, employee retreat/teambuilding activities</li> </ul>
 <b>Customers</b>	<ul style="list-style-type: none"> <li>Quality of products</li> <li>Promotional activities</li> <li>Launch of new products</li> <li>Loyalty member events</li> </ul>	<ul style="list-style-type: none"> <li>In stores experience &amp; e-commerce website</li> <li>Branding activities</li> <li>Customer service</li> <li>Social media</li> <li>Brand ambassador</li> <li>Social commerce</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>As required</li> </ul>	<ul style="list-style-type: none"> <li>Repairs, exchange or refunds</li> <li>Stores upgrade for enhancement of customer experience</li> <li>Promotions/social media/key opinion leaders</li> <li>Loyalty programme</li> </ul>
 <b>Shareholders and Investors</b>	<ul style="list-style-type: none"> <li>Compliance with rules and regulations</li> <li>Accuracy of performance results</li> <li>Transparent corporate governance practices</li> <li>Return on investment and dividend payout</li> </ul>	<ul style="list-style-type: none"> <li>Investor Relations website</li> <li>Annual General Meeting</li> <li>Quarterly financial reports and announcements</li> <li>Analyst briefing</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>Annually</li> <li>Quarterly</li> <li>As required</li> </ul>	<ul style="list-style-type: none"> <li>Financial performance</li> <li>Company strategy and direction</li> <li>Dividend policy</li> <li>Investor Relations website (<a href="https://boniacorp.com">https://boniacorp.com</a>)</li> </ul>
 <b>Suppliers</b>	<ul style="list-style-type: none"> <li>Transparent procurement practices</li> <li>Competitive pricing strategy</li> <li>Relationship management</li> </ul>	<ul style="list-style-type: none"> <li>Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>As required</li> </ul>	<ul style="list-style-type: none"> <li>Clear procurement policies and processes</li> <li>Testing of new materials</li> <li>Price ceiling</li> </ul>

## SUSTAINABILITY STATEMENT

### STAKEHOLDER MANAGEMENT AND ENGAGEMENT (continued)

Stakeholders	Group Expectations & Concerns	Method of Engagement	Frequency	Our Responses
 <b>Local Communities</b>	<ul style="list-style-type: none"> <li>Giving back to the communities</li> <li>Employment and business opportunities</li> </ul>	<ul style="list-style-type: none"> <li>CSR activities</li> <li>Sponsorship and welfare programmes</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>CSR committee that covers community, environment and workplace</li> </ul>
 <b>Partners</b> Licensor, dealers and landlords of Bonia Group Key Opinion Leaders (KOLs) Design consultants (boutiques, product designers) Digital partners (online Marketplaces, digital enablers)	<ul style="list-style-type: none"> <li>Transparent procurement practices</li> <li>Market and brand development</li> <li>Sales performance</li> <li>Operation coverage</li> <li>Stock availability</li> </ul>	<ul style="list-style-type: none"> <li>Meetings</li> <li>Social media</li> <li>Marketing campaign</li> </ul>	<ul style="list-style-type: none"> <li>As and when required</li> <li>Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>Clear procurement policies and processes</li> <li>Business strategy to achieve sales targets</li> <li>Cost efficiency</li> <li>Stock monitoring</li> <li>Updates on brand direction</li> </ul>

### MATERIAL SUSTAINABILITY MATTERS

Material sustainability matters at Bonia encompass issues that significantly impact our economic, environmental, and social dimensions, influencing the decisions of key stakeholders. These critical concerns are central to our Sustainability Statement and guide the selection of indicators used to monitor and assess our sustainability performance.

#### Identification and Prioritisation of Material Matters:

The Bursa Malaysia Enhanced Sustainability Reporting Requirements now require the phased disclosure of 11 common sustainability matters, beginning with the financial year ending in 2024. In response to this mandate, we have thoroughly mapped our Material Topics to these 11 common sustainability matters, ensuring all relevant topics are considered when identifying our material matters.

In FY2024, we carried out an internal assessment involving our staff, from frontline workers to back-office employees and the Board of Directors. This evaluation focused on key aspects such as workforce engagement, trust in our leadership and management teams, and perspectives on ESG issues.



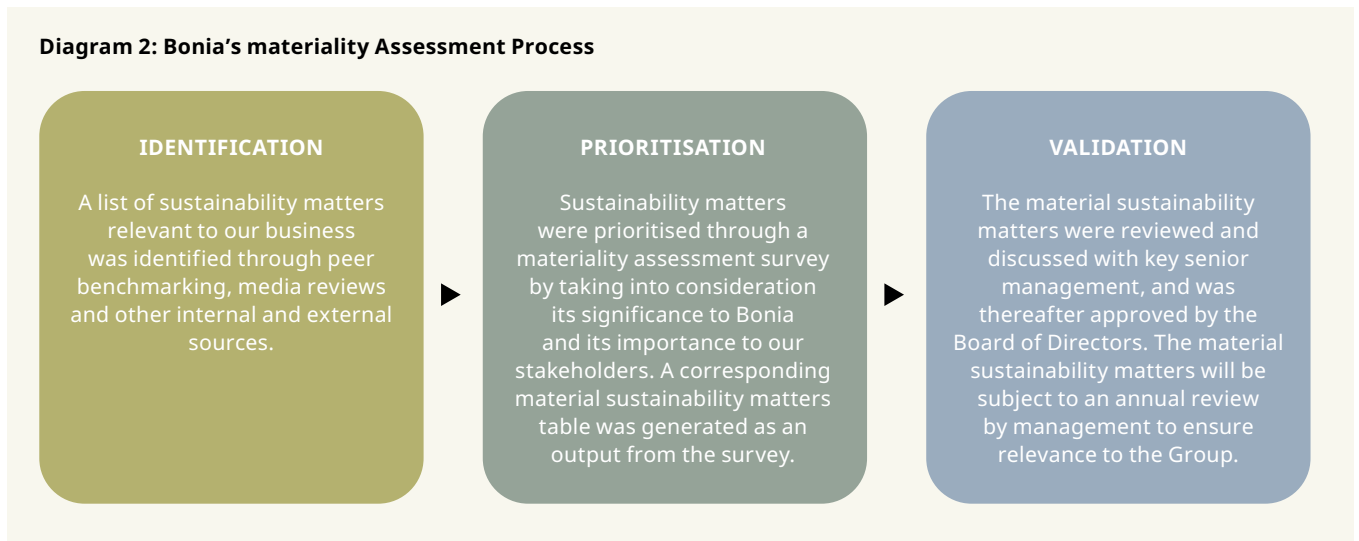
## SUSTAINABILITY STATEMENT

### MATERIAL SUSTAINABILITY MATTERS (continued)

#### Materiality Assessment Process

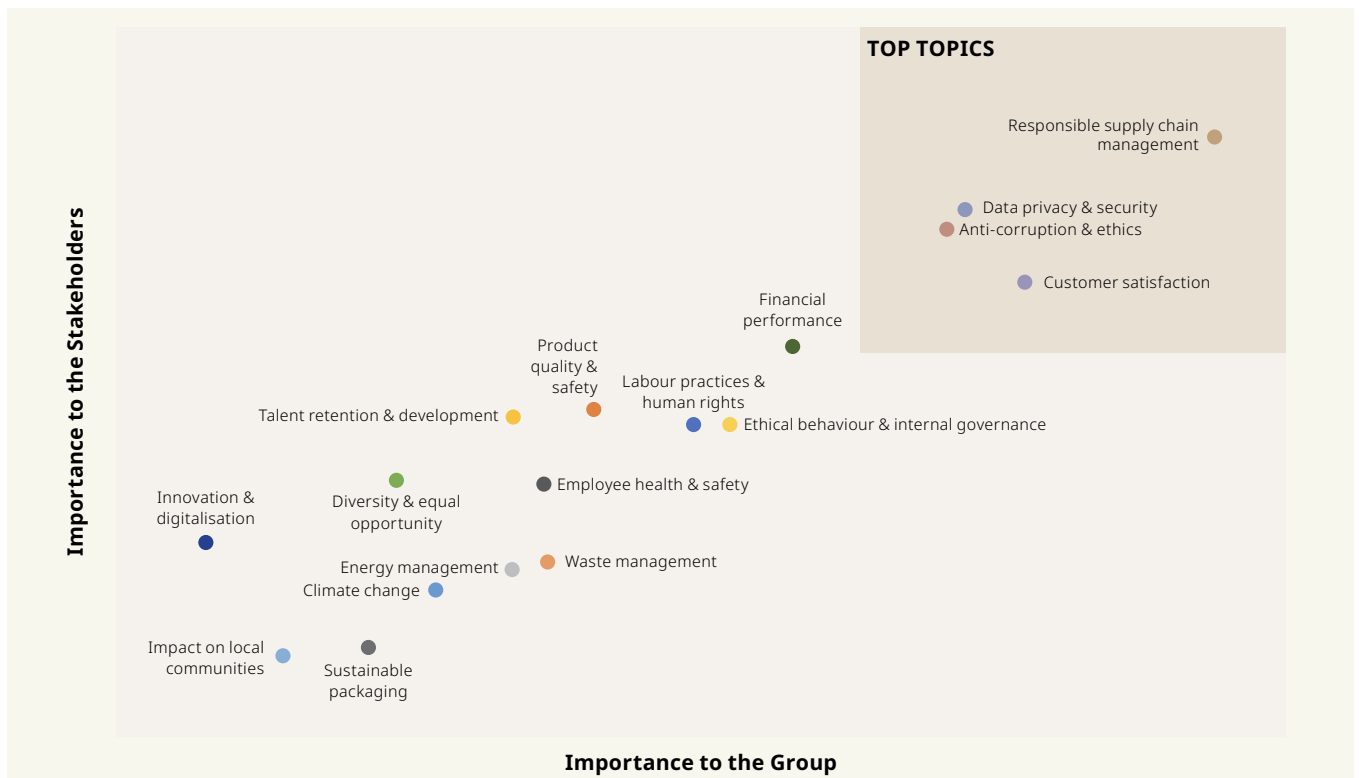
We continually identify and prioritise material issues that affect our business, communities, and the environment, ensuring alignment with the concerns most pertinent to our stakeholders.

The materiality assessment process is illustrated in Diagram 2 below:



Post-session feedback indicated a general consensus among stakeholders on our sustainability practices and reporting methods. The survey highlighted three key areas of high importance to employees:

#### Material Matters



## SUSTAINABILITY STATEMENT

### MATERIAL SUSTAINABILITY MATTERS (continued)

#### 01 Responsible supply chain management

**Why is it important:**

As a fashion retail company, responsible supply chain management is crucial for sustainable production and resource efficiency. The modern consumers are increasingly aware of and concerned about the ethical and environmental practices of the brands they support.

**Our approach:**

We prioritise sustainable sourcing by using eco-friendly packaging made from FSC-certified paper, which promotes responsible forest management globally. To reduce our carbon footprint, we have implemented strategies to lower greenhouse gas emissions across our supply chain. This includes optimising transportation routes by consolidating shipments to Malaysia and Indonesia, thereby minimising the number of shipments, reducing travel distance, and decreasing fuel consumption.

#### 03 Customer satisfaction

**Why is it important:**

In retail, customer satisfaction is essential for building brand loyalty and driving repeat business, as customers have high expectations for their shopping experiences, seeking quality products, excellent service, and responsive support. By actively listening to feedback and continuously improving our offerings, we can enhance customer loyalty, attract new shoppers, and maintain our competitive edge in the market.

**Our approach:**

We prioritise product quality and variety, ensuring that our materials, craftsmanship, and durability meet the highest standards. To provide customer service excellence, we offer comprehensive training for our sales associates and customer service representatives, making sure they are knowledgeable, courteous, and helpful. We are committed to maintaining responsive and effective customer service channels to address any inquiries or issues promptly. Additionally, we strive to create an exceptional in-store experience by designing inviting and aesthetically pleasing environments in both new stores and refurbished existing ones.

#### 02 Data privacy & security

**Why is it important:**

Ensuring data privacy and security is crucial for maintaining consumer trust and safeguarding sensitive information. Consumers expect brands to implement robust data protection measures to prevent breaches and misuse. Prioritising data privacy and security not only complies with regulatory requirements but also reinforces our commitment to respecting customer rights and fostering long-term relationships based on trust and transparency.

**Our approach**

As a consumer company, we place the utmost importance on PDPA compliance; engaging professionals to review our organisation's PDPA policy during FY2024. Our compliance program covers all areas, starting with customer and member recruitment (both in-store and online), data migration, HR and administrative processes, sales and marketing activities (in-store and online), procurement and contracts with third parties, customer service, and any other area that handles personal data.

#### 04 Anti-Corruption and Ethics

**Why is it important:**

As a responsible organisation, we recognise the importance of emphasising anti-corruption and ethics to maintain integrity and trust within our operations. Highlighting these values fosters a transparent and accountable work environment, ensuring that all employees adhere to the highest ethical standards. This commitment not only strengthens internal morale but also reinforces our reputation as a trustworthy and responsible organisation.

**Our approach:**

We conducted a series of briefing sessions on our anti-bribery and corruption policies across the organisation, providing physical sessions for office staff and virtual sessions for frontliners. To ensure comprehension and retention, we administered a knowledge test at the end of each training session.

Additionally, the Board reviewed these topics and integrated them into our existing sustainability themes and focus areas. Utilising the materiality matrix as a strategic tool, Bonia Group aligns sustainability initiatives with our overarching objectives, stakeholder expectations, and the broader societal and environmental landscape. This integration ensures that Bonia Group remains committed to addressing key concerns and continuously improving our sustainability practices.

### Integration into Strategy and Reporting

Insights gathered from our internal feedback process, distributed to employees across different levels and departments, have been integral to shaping our sustainability strategy and reporting frameworks. These efforts underscore our commitment to addressing the most relevant sustainability issues while enhancing transparency and accountability across our operations.

## SUSTAINABILITY STATEMENT

### ECONOMIC

#### BUSINESS PERFORMANCE AND REGULATORY COMPLIANCE

#### ECONOMIC PERFORMANCE

Creating shared value is crucial for organisations as it aligns business goals with the interests and prosperity of stakeholders, fostering mutual benefits and sustainable growth. At Bonia, we emphasise the symbiotic partnership between our business and stakeholders, viewing it as integral to our own growth strategy. This relationship integrates economic progress with tangible benefits for shareholders, investors, local communities, employees, and suppliers alike.

Our commitment lies in achieving sustainable profitability through robust revenue generation, recognising that strong financial performance is foundational to long-term business sustainability. Upheld by a strong ethical framework, we prioritise the economic well-being of all our stakeholders. This commitment manifests in various initiatives such as proactive community engagement, fostering job creation opportunities, and contributing to tax revenues. Below, we outline the distribution of economic value over the past three years.

**Table 2: Bonia's Value Distribution**

RM'000	FY2024	FY2023	FY2022 (restated)
Economic Value Generated	422,055	434,889	393,862
Economic Value Distributed	371,367	376,485	326,723
Operating Cost	232,856	232,450	210,058
Employees	84,888	78,645	80,581
Government (Income Tax)	15,685	16,664	10,998
Dividend returns to shareholders	37,590	48,164	24,245
Community (Donation)	348	562	841
<b>Economic Value Retained</b>	<b>50,688</b>	<b>58,404</b>	<b>67,139</b>

\* Comparatives for FY2022 have been restated to include SBG Group

For the second consecutive year starting in FY2023, Bonia is dedicated to enhancing shareholder goodwill through an established dividend policy. This policy ensures a minimum disbursement of 30% of consolidated profits after taxation, benefiting shareholders. The increased dividend returns demonstrate our commitment to delivering value, while reinvesting the remaining economic resources to drive business growth.

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

#### CORPORATE GOVERNANCE

##### Anti-Bribery and Corruption Policy, and Code of Conduct

Bonia Group is dedicated to maintaining high standards of ethics and integrity across all our business activities. We uphold principles of honesty, trustworthiness, and professionalism that align with our corporate values. These principles form the foundation of our governance framework, fostering trust in our brands.

As a responsible organisation and in accordance with the Corporate Liability Provision under Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018, Bonia Group has implemented an Anti-Bribery and Corruption Policy. This policy provides guidance on group-wide policies and procedures, outlining our expectations. Recently, we have enhanced our anti-bribery efforts by incorporating a monetary limit for our gifting policy and ensuring prompt reappointment of a compliance officer upon resignation, reinforcing our commitment to transparency and compliance with legal standards.

At Bonia Group, we are committed to our Code of Conduct, integrated within our Employee Handbook, which sets clear expectations for all employees to act in a diligent and responsible manner at all times. The ongoing implementation of these business codes, policies, and procedures ensures organisational compliance.

## SUSTAINABILITY STATEMENT

### CORPORATE GOVERNANCE (continued)

In 2024, we carried out a thorough risk assessment across 100% of our operations. The results highlighted low to moderate risks in certain parts of the organisation, all of which have appropriate safeguards and measures in place. No significant risks were identified in the assessment.

#### Anti-Corruption Education and Training Initiative

As part of Bonia Group’s unwavering commitment to ethical practices and legal compliance, a series of briefing sessions on the Anti-Bribery and Corruption Policy were initiated. These sessions were designed to reinforce the company’s dedication to maintaining integrity across all operations. Attendance at these briefing sessions was mandatory for all employees, ensuring their collective commitment to ethical conduct.

Bonia’s Human Resources Department organised a series of Anti-Bribery & Corruption (ABC) awareness briefings in May and June 2024 for all employees in Malaysia. Each session lasted 1.5 hours and included a Q&A section. A total of 406 employees attended these sessions, ranging from executives to Senior Management.

In FY2024, 67% of employees participated in the briefing sessions, reflecting the collective dedication to upholding the highest standards of corporate governance. These sessions provided comprehensive insights into the importance of ethical behaviour, the legal ramifications of corruption, and the mechanisms in place to report any suspicious activities.

Employee Category	Attendance Rate %
Managerial	64%
Executive	85%
Non-executive	59%

We are proud to report that there were no incidents of corruption within the Group in the year under review.



**Number of confirmed corruption incidents: ZERO in year 2024**

#### Whistleblowing Policy

Whistleblowing and Corporate Governance are interconnected, and fostering an open and transparent corporate environment is crucial for upholding standards of transparency, accountability, ethics, and integrity in the workplace. Bonia Group recognises the importance of an effective whistleblowing policy as integral to our corporate governance strategy.

Our Whistleblowing Policy establishes a mechanism for concerned parties to responsibly and safely raise their concerns, free from fear of retaliation or adverse consequences. It applies to all employees and third parties who have knowledge of or reasonably suspect that an employee of the Group has engaged in or is preparing to engage in improper conduct. Improper Conduct encompasses actions that, if proven, would warrant disciplinary action or constitute a criminal offense, including:

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

If any of our employees suspect that one of the aforementioned incidents has taken place, the reporting party may express their concerns either verbally or in writing to the Chairman of the Audit and Risk Management Committee. This Policy ensures confidentiality for whistleblowers, except when consent is given by the whistleblower or when required by law. Following this, an investigation will be conducted, and appropriate action will be taken if warranted in the judgement of the Board.

In FY2024, zero incidents were reported via this channel.

## SUSTAINABILITY STATEMENT

### ENVIRONMENTAL

OUR COMMITMENT TO A GREENER FUTURE

#### SUPPLY CHAIN

We continuously enhance our supply chain and procurement management strategies, driven by insights from our employees who identify responsible supply chain management as a top materiality concern. This proactive approach enables us to anticipate and address challenges and risks effectively, ensuring the continuity of product supply and the sustainability of quality standards.

Our efforts are particularly focused on sustainable sourcing practices, such as using eco-friendly packaging with FSC-certified paper sources, aligning with employee expectations for environmental responsibility. Moreover, our collaboration with suppliers is guided by stringent criteria that emphasise not only exceptional workmanship and cost-effectiveness but also compliance with best practices in quality control, labour management, worker safety, and environmental stewardship.

Additionally, by optimising transportation routes to Malaysia and Indonesia and minimising shipments, we reduce greenhouse gas emissions, reflecting our commitment to minimising our carbon footprint in response to employee concerns and global sustainability goals.

Whenever feasible, we prioritise sourcing supplies and services locally to support the domestic economy and local communities. However, due to the specialised nature of the required raw materials and niche technology, we sometimes need to engage with foreign suppliers. We strive to balance fostering domestic economic growth with ensuring access to essential resources necessary for our operations. 31% of our procurement this year was sourced from local vendors.

#### DIGITALISATION AND INNOVATION

In today's rapidly evolving fashion and retail landscape, staying abreast of trends in digitalisation and innovation is paramount. Both globally and locally, these sectors are undergoing continuous transformation driven by technological advancements and innovations. Embracing digital platforms and innovative strategies not only enhances operational efficiency and customer engagement but also positions companies to adapt swiftly to ever-changing consumer behaviours and market dynamics.

Digital platforms have become integral for sales and customer interactions, offering efficiency, cost-effectiveness, and improved engagement. The technological revolution in retail is profoundly influencing operations and customer engagement all across the globe and even here in Malaysia. From AI-powered chatbots providing instant customer support to mobile commerce enhancing convenience, these advancements are reshaping the retail landscape.

In response to evolving trends in the fashion and retail sectors, Bonia Group has proactively utilised digital technologies to stay ahead of the curve. This year, we upgraded our ERP and HRMS systems to streamline processes and reduce paper usage by automating approval procedures. In support of these digitalisation initiatives, the company invested RM0.84 million during the year, to ensure alignment with evolving customer preferences.

Another way that Bonia prioritises its digital capabilities is with a robust digital presence across online stores, social media platforms, and various marketplaces, ensuring we enhance the shopping experience, thereby improving the customer journey and expanding market reach. Embracing these innovations allows Bonia to stay competitive and meet the evolving expectations of modern consumers. As we continuously navigate this dynamic landscape, the Group embraces digitalisation to reshape shopping experiences and enhance business operations.

#### ENERGY

As a responsible corporate citizen, Bonia acknowledges that reducing carbon emissions involves enhancing energy efficiency, resulting in lower energy consumption and operational cost savings.

## SUSTAINABILITY STATEMENT

### ENERGY (continued)

Our core objective of carbon emission reduction underscores our commitment to sustainable operations. We are proud to report that our employees actively engage in various awareness campaigns aimed at fostering a greener future. Some examples of our initiatives are detailed below.



▲ To encourage the use of eco-friendly cars, such as hybrid or electric vehicles, we installed electric vehicle charging stations at our office premises @ Ikon Connaught. This initiative supports our commitment to sustainability by promoting greener transportation options among our employees. By providing convenient access to charging facilities, we aim to reduce our carbon footprint and inspire our staff to adopt environmentally friendly practices.



◀ To promote employee awareness and responsibility for conserving energy, we have placed posters and signs throughout our office reminding staff to conserve electricity. This initiative aims to foster a culture of mindfulness and sustainability within our workplace.



◀ We recently retrofitted the lighting system in our head office, replacing approximately 740 fluorescent tubes with energy-efficient LED lights. This upgrade is a significant step in our ongoing efforts to reduce energy consumption and minimise our environmental footprint. LED lights not only consume less electricity but also have a longer lifespan, reducing maintenance costs and waste.



◀ We recently installed new photocopiers at our head office and warehouses as a way to monitor and promote sustainable printing practices. These devices are equipped with energy-saving modes and automatic duplex printing capabilities to reduce paper waste. Additionally, we have implemented centralised monitoring systems to track and optimise printing volumes, promoting efficient use of resources. By integrating these technologies, we aim to minimise our environmental footprint while enhancing operational efficiency across our facilities.

Below is the electricity and water consumption for Bonia Group offices and warehouses for FY2024 and FY2023. Please note that beginning in June 2022, additional ICPT rates of RM0.037/kWh were implemented, and new water tariff rates took effect in August 2022.

Type of Energy Consumption	FY2024	FY2023	FY2022
Electricity Consumption (kWh' 000)	1,303	1,247	1,105
Water Consumption (m <sup>3</sup> )	9,557	9,546	9,473
Average Monthly Consumption			
Electricity (kWh' 000)	109	104	92
Water (m <sup>3</sup> )	796	796	789

## SUSTAINABILITY STATEMENT

### SOCIAL

CREATING VALUE FOR CUSTOMERS AND THE COMMUNITIES

#### OUR EMPLOYEE

Our workforce is our most valuable asset and the foundation of our success. We prioritise creating a supportive and stimulating work environment where every team member can excel and grow. By regularly conducting performance reviews, recognising outstanding contributions, setting clear expectations, and providing ample training opportunities, we empower our employees to leverage their strengths and address areas for improvement effectively.

Our commitment to equal opportunity ensures that everyone within our organisation has a fair chance to realise their potential and contribute to our collective goals. This inclusive and nurturing approach not only enhances our organisational culture but also strengthens our employer brand, making Bonia Group a desirable workplace, which helps in attracting and retaining top talent in a competitive job market.

#### Training and Development

Investing in training and development is crucial for enhancing employee skills, knowledge, and capabilities, which leads to improved performance and productivity. A well-trained team is better equipped to handle changes and innovations in the business landscape, keeping the organisation competitive and adaptable. Emphasising continuous learning fosters a culture of innovation and problem-solving, which enhances the work environment, boosts performance, and drives organisational growth.

The Group is dedicated to promoting learning and development, with a focus on upskilling and reskilling. We continue to use the Savvy Learning Framework, which outlines a comprehensive approach to developing employees in three key areas: technical expertise (“Technical Savvy”), interpersonal skills (“People Savvy”), and business acumen (“Business Savvy”). This framework guides our efforts to cultivate a well-rounded and proficient workforce.

#### BONIA Group Learning Framework

## Savvy

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If you describe someone as having savvy, you think that they have a **good understanding** and **practical knowledge** of something.

#### TECHNICAL SAVVY

The employee is expected to be competent in the functional areas of their roles as **subject matter experts**.

#### PEOPLE SAVVY

The employee is expected to be competent in **leading people, customers and stakeholders** within and outside of the organisation.

#### Business Savvy

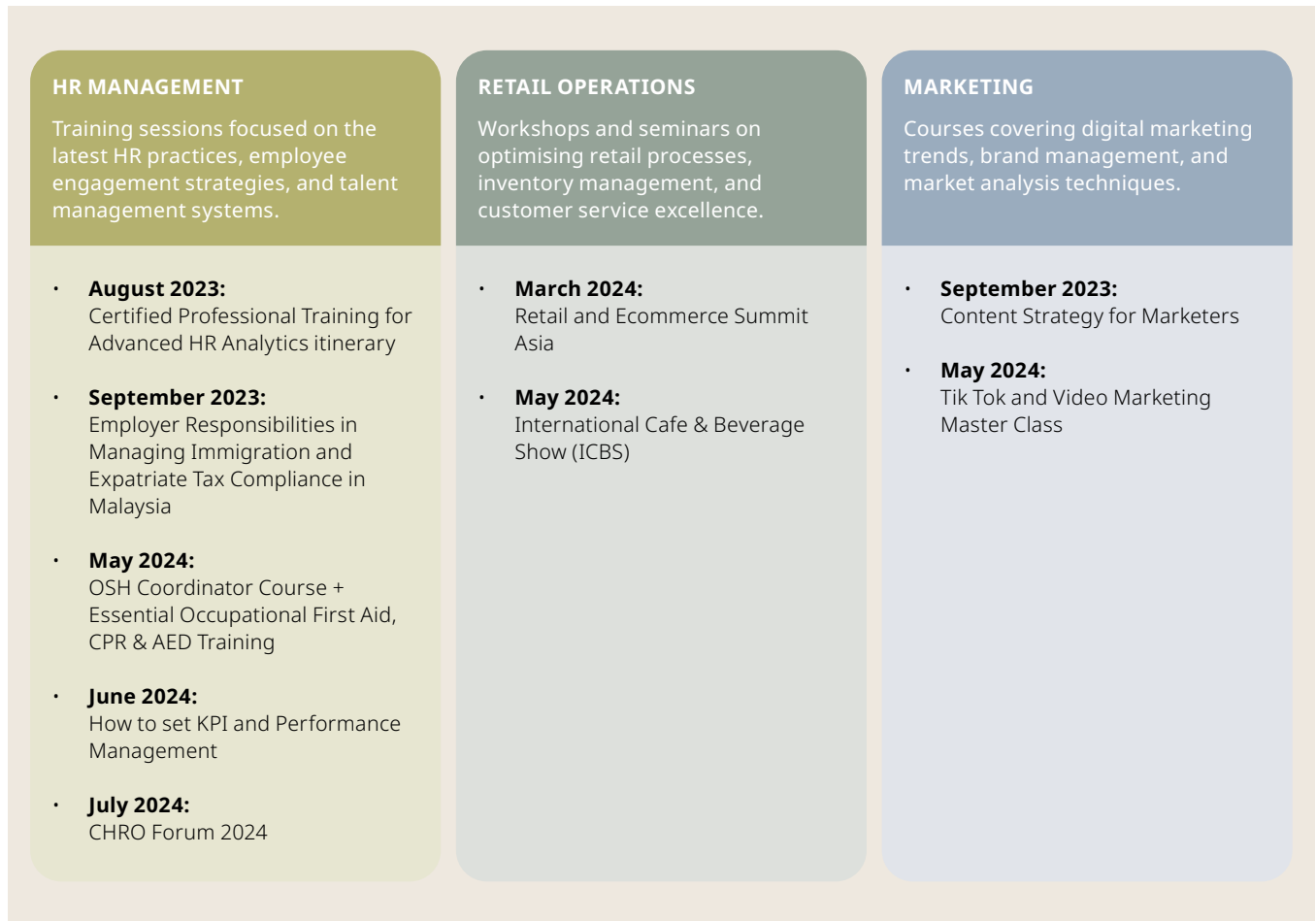
The employee is expected to be competent with business acumen to **drive business growth and continuity**.



## SUSTAINABILITY STATEMENT

### OUR EMPLOYEE (continued)

In the past year, under the Technical Savvy portion of this framework, we have actively facilitated external training programs for our employees in various functional and technical areas such as HR, Retail Operations, and Marketing. These initiatives ensure that our staff stays current with the latest industry trends and advancements in their respective fields. Below are a list of technical training programs, seminars and forums by category:



The table below provides the breakdown of training hours by Employee Category for FY2024:

Employee Category	Total Hours	Total Staff
Managerial	1,511	67
Executives	666	43
Non-Executives	3,671	354
<b>GRAND TOTAL</b>	<b>5,848</b>	<b>464</b>

By prioritising these training opportunities, we empower our employees to continuously enhance their expertise, contributing to the overall success and growth of our organisation.

Additionally, we arranged in-house programs for our employees, including Payroll Administration, Project Management and Microsoft Excel training sessions. These initiatives aimed to enhance skills in project management, data analysis, and reporting, ensuring our team is proficient in critical competencies necessary for their roles.



## SUSTAINABILITY STATEMENT

### OUR EMPLOYEE (continued)

#### • People Savvy

Recognising the importance of interpersonal skills in managing diverse stakeholder groups, we emphasised the “People Savvy” aspect of our Savvy Learning Framework. Over the past year, our Learning & Development team conducted a series of internal team-building sessions designed to enhance teamwork, leadership abilities, interpersonal communication, and problem-solving skills. These workshops included:

- |  |   |  |   |
|--|---|--|---|
| <p><b>01</b></p> <p><b>May 2024:</b><br/>Service Up! Team Building</p> | <p><b>02</b></p> <p><b>August 2024:</b><br/>LBG Team Building</p> | <p><b>03</b></p> <p>Braun Buffel<br/>Onboarding Training</p> | <p><b>04</b></p> <p>Manager Workshops -<br/>Managing Misconduct</p> |
|--|---|--|---|

#### • Retail Training – Customer Service Excellence

To elevate the service quality for Bonia and Braun Buffel, we have implemented comprehensive customer service training programs. These programs are designed to enhance customer-centric service, effective communication, and proficient selling techniques. By equipping our retail staff with these essential skills, we aim to improve customer satisfaction and drive higher sales, ensuring that our employees excel in their interactions with customers and contribute to the overall success of the business. The following internal retail trainings were part of the program:

- |   |   |
|---|---|
| <p><b>01</b></p> <p>FW23 Product Training</p> | <p><b>02</b></p> <p>SS24 Product Training</p> |
|---|---|

#### • Business Savvy

We also highly prioritise ‘business savvy’ as essential for every employee, ensuring they possess the competence in business acumen necessary to foster business growth and continuity. Employees who understand the intricacies of our business also grasp how their roles contribute to our overarching goals. This clarity not only enhances their engagement but also boosts productivity, driving our collective success forward. Included among these trainings were:

- |   |   |   |   |
|---|---|---|---|
| <p><b>01</b></p> <p><b>September 2023:</b><br/>ESG - Role of the<br/>Accountant and Financial<br/>Reporting</p> | <p><b>02</b></p> <p><b>September 2023:</b><br/>Introduction to<br/>Environmental, Social &amp;<br/>Governance (ESG) and<br/>Sustainable Finance</p> | <p><b>03</b></p> <p><b>October 2023:</b><br/>Fundamental of<br/>Corporate Finance</p> | <p><b>04</b></p> <p><b>July 2024:</b><br/>The Beneficial Ownership<br/>Reporting Framework<br/>for Companies based<br/>on the Companies<br/>(Amendments) ACT 2024</p> |
|---|---|---|---|

### EMPLOYEE ENGAGEMENT

Employee engagement is a critical metric for business success. Our goal is to ensure that every team member understands the significance of their contributions and feels genuinely appreciated as unique individuals. As such, we organise regular social gatherings, to help employees relax, bond with colleagues, and strengthen their motivation and work performance. These initiatives are designed to enhance employee engagement, ensuring a vibrant and productive workforce.

To foster this connection, we have built on the success of previous year’s Health & Wellness Campaign, aiming to sustain the positive momentum while encouraging our employees to embrace a healthy lifestyle. Here are some of the wellness events organised throughout the year.

## SUSTAINABILITY STATEMENT

### EMPLOYEE ENGAGEMENT (continued)

- **Mental health Talk**

In May 2024, Bonia held a Health & Wellness Talk series featuring Ms. Amanina Amni, a Clinical Psychologist, who shared insights on the topic of Mental Health, specifically covering 'Is Mental Health More Important than Physical Health?'. The session aimed to both refresh attendees' knowledge and deepen their understanding of mental health, enabling them to better support those they care about. Participants were invited to join either in-person or virtually, to enhance their awareness and commitment to wellness.

- **Subsidised Health Screen for Staff**

Health remains a top priority, especially in light of recent health statistics in Malaysia. In response to these concerns, and as part of our ongoing commitment to promoting a healthy lifestyle, we offered subsidised health screenings to all staff. Employees were provided the opportunity to undergo a comprehensive health screening consisting of 57 tests, available at a highly discounted rate. This initiative not only aims to raise awareness but also supports our collective efforts towards maintaining good health and well-being among our team members.

- **Health & Wellness Talk – How to Prevent Lower Back Pain**

Another Health & Wellness Talk focused on "Lower Back Pain & How to Prevent It." Dr. Dalila, a Medical Officer from ALTY Orthopaedic Hospital, shared valuable insights into common lower back injuries, their underlying causes, and effective preventive measures. Attendees received practical advice on maintaining good back health and preventing discomfort and also benefited from a free postural screening as part of the event.

- **Indoor Cycling Blast**

During our Bonia Health & Wellness initiative from May to June, we introduced the Indoor Rhythmic Cycling Class—an exhilarating "Party on a Bike" experience. Participants enjoyed high-intensity cardio workouts with energising music and dynamic lights, pushing physical limits and promoting wellness through fun and challenging fitness sessions.

- **Mindfulness Workshop for Women**

As part of our commitment to women's empowerment, we sponsored 10 female colleagues to participate in a transformative women-only event hosted by Enliven Women. This workshop was designed to empower women by providing tools, strategies, and a supportive environment to foster personal growth and breakthroughs. It was a meaningful initiative aimed at nurturing and uplifting women within our organisation.

- **Festive Season Celebration**

Throughout the year, we organised festive season celebrations with our employees to cultivate a positive and inclusive work environment where everyone feels valued and appreciated. These celebrations aim to bring joy and unity to our diverse team, creating memorable experiences that enhance the sense of belonging and camaraderie. For Chinese New Year, we hosted a company-wide luncheon at One Seafood Restaurant, where 228 colleagues gathered to celebrate the start of a prosperous year. This event also encouraged employees to carpool, promoting an eco-friendly approach. Meanwhile, for Hari Raya, we treated our Muslim colleagues with festive cookies and treats, reinforcing the joy of sharing. For Christmas, we organised a grand Christmas High Tea Party, a festive highlight featuring gifts, interactive games, finger foods, and beverages. This event, like our other celebrations, reflects Bonia's commitment to creating a warm and engaging workplace culture.

These gatherings not only provide opportunities for employees to come together and celebrate but also feature exciting activities such as lucky draws, adding an element of fun and surprise. Our dedication to celebrating these occasions contributes to our employees' overall job satisfaction and well-being, making Bonia a place where they feel truly appreciated and connected.



## SUSTAINABILITY STATEMENT

### EMPLOYEE ENGAGEMENT (continued)

#### • Tufting Workshop

Bonia recently organised a DIY Tufting Workshop as part of our ongoing efforts to build an engaging workplace that fosters connections beyond daily tasks. This event provided a platform for colleagues to come together and explore personal interests through creative activities. Participants enjoyed a hands-on experience in crafting unique designs and patterns using yarn and fabric. The workshop encouraged creativity and collaboration among employees of all skill levels, offering a memorable opportunity to bond with colleagues while expressing individual artistic flair.



#### • Mother's Day

In conjunction with Mother's Day, Bonia expressed gratitude to mothers by gifting them with lovely flowers as a token of appreciation.



### OCCUPATIONAL SAFETY AND HEALTH

Ensuring a safe and healthy work environment is a fundamental commitment and right for all individuals engaged with our operations, including employees, contractors, and visitors. Our Occupational Safety and Health (OSH) Policy underscores this commitment, aligning with the stipulations of the Occupational Safety and Health Act 1994.

Prioritising occupational health and safety (OHS) not only reduces the risk of accidents and injuries by identifying and mitigating hazards but also enhances efficiency and productivity by minimising absenteeism due to illness or injury. Implementing robust OHS standards fosters a secure workplace environment where employees can perform their roles confidently and safely, ensuring optimal operational continuity.

Our commitments highlighted within the OSH Policy are as follows:

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

## SUSTAINABILITY STATEMENT

### OCCUPATIONAL SAFETY AND HEALTH (continued)

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

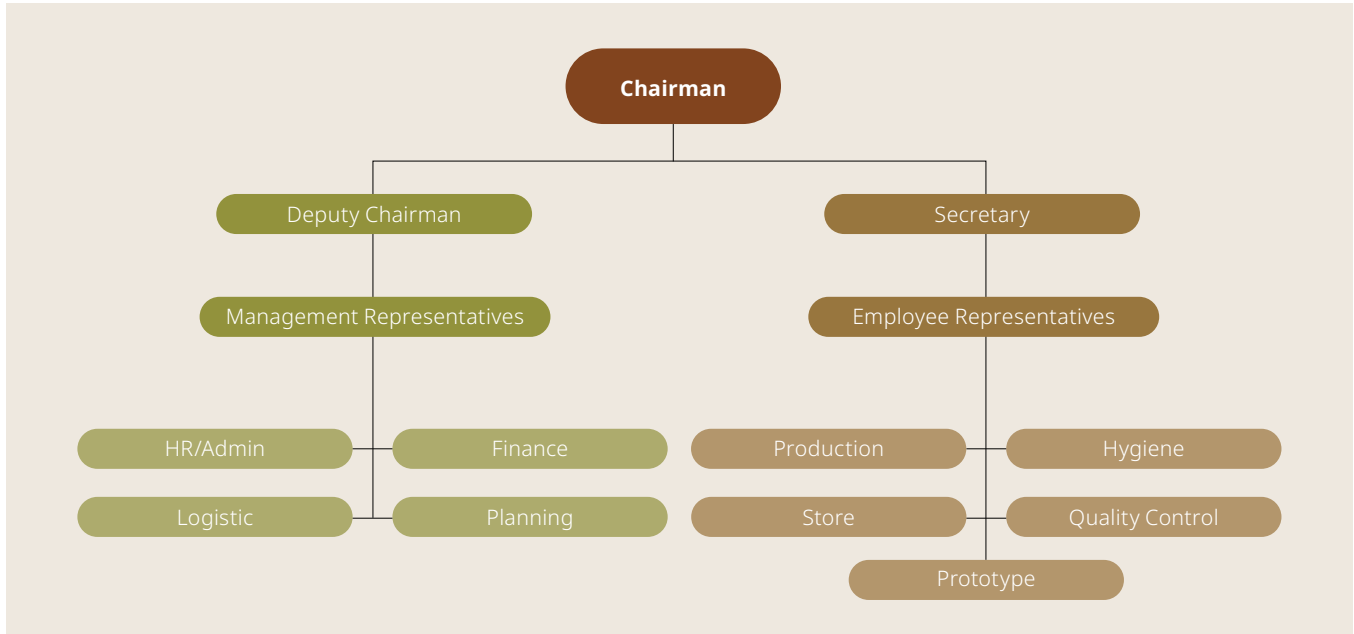


Diagram 3 illustrates our Plant SHC organisational structure, led by the SHC Chairman, supported by a deputy chairman and secretary. This committee serves as a collaborative platform where employer and employee representatives convene to address emerging OSH concerns through constructive dialogue.

Our SHC roles and responsibilities are summarised below:

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

#### OSH Trainings and Performance

In our commitment to continually enhance awareness and deepen employee understanding, we regularly conduct Occupational Safety and Health (OSH) training sessions, briefings, and refresher courses. These initiatives serve as crucial reminders of workplace health and safety protocols. Over the years, we have implemented various safety and health training programs, including fire drills and fire extinguisher usage, involving all staff in these essential practices to maintain a secure working environment.

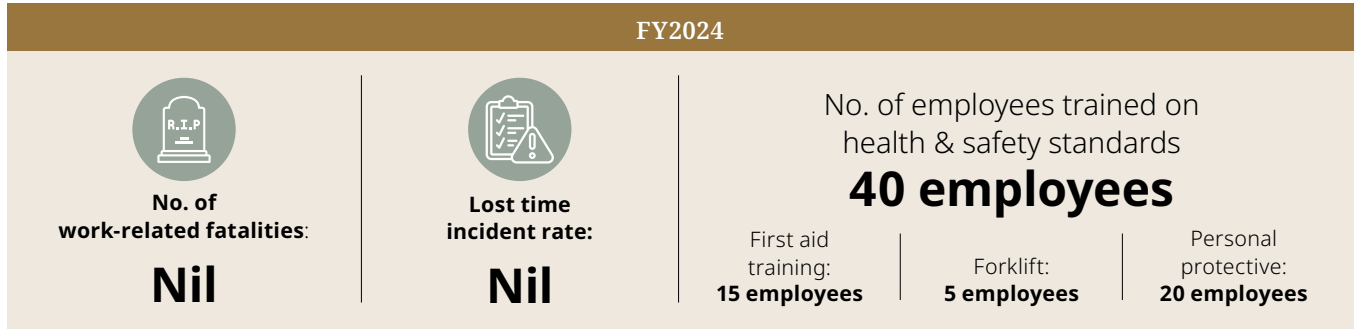
Annually, our manufacturing plant employees participate in comprehensive occupational safety and health training sessions that engage individuals across all levels, including Safety and Health Officers, Safety Committees, managers, supervisors, line leaders, and relevant staff.

We understand that it is imperative not to become complacent with health and safety procedures; thus, continuous improvement in health and safety practices ensures ongoing risk identification, monitoring, and mitigation.

Our regular efforts to promote health and safety awareness have had a positive impact, resulting in zero fatalities and accident at our manufacturing plant for FY2024.

## SUSTAINABILITY STATEMENT

### OCCUPATIONAL SAFETY AND HEALTH (continued)



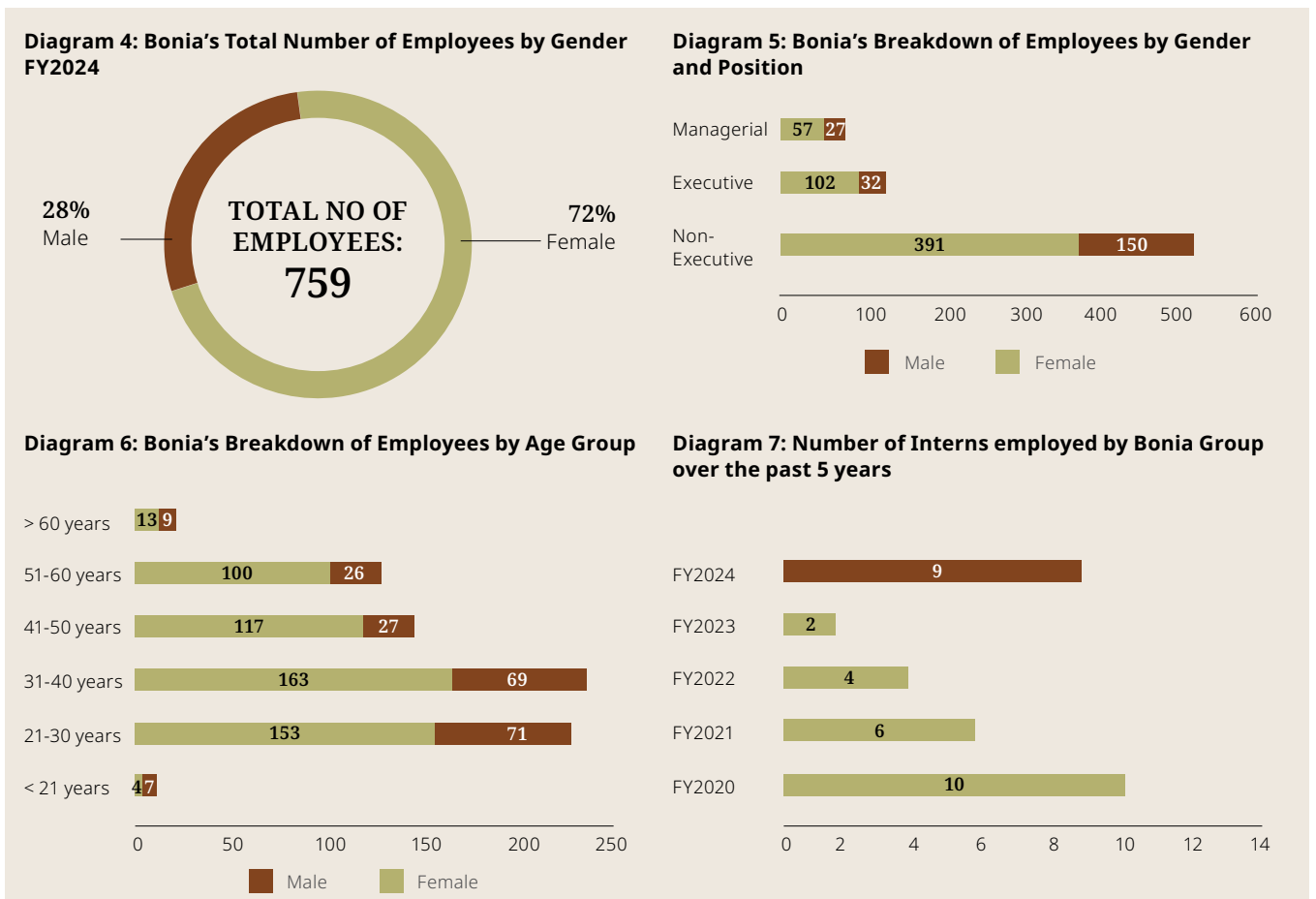
### EMPLOYEE DIVERSITY

Bonia Group is committed to fostering gender diversity and inclusion, ensuring all employees are empowered to achieve their full potential. As our organisation grows, we recognise the importance of diverse perspectives and contributions from all segments of society. Our goal is to maintain an inclusive workplace where everyone feels equally valued and supported.

For the financial year ended 30 June 2024, Bonia Group employed a total of 759 individuals, including 550 female staff (72%) and 209 male staff (28%). In senior positions, 57 women held roles, highlighting our commitment to providing equal opportunities for women.

In addition to our focus on employee development, we administer an internship program tailored for undergraduates seeking practical experience. Typically lasting between 2 to 6 months, this program offers valuable exposure to the professional environment, and in FY2024, we hosted 9 interns.

The following diagrams depict the current composition of Bonia Group’s local employees, excluding those from foreign subsidiaries.



## SUSTAINABILITY STATEMENT

### EMPLOYEE DIVERSITY (continued)

In FY2024, the Group’s operations and supply chains reported no incidents of labor infringement, including child, forced, or illegal labour, and no other human rights violations were identified.



**Number of substantiated complaints concerning human rights violation  
ZERO in year 2024**

### OUR CUSTOMER

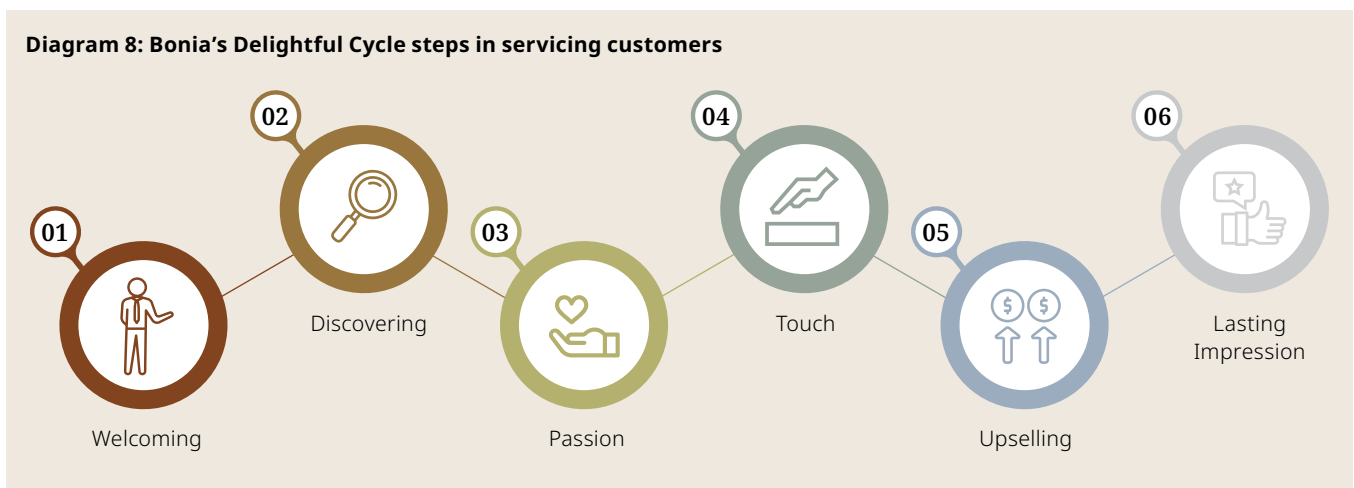
Customer satisfaction is crucial to the success of any retailer, serving as the cornerstone of sustained business growth and brand reputation. Satisfied customers contribute both to repeat business as well as advocates for the brand, attracting new clientele through positive word-of-mouth. In today’s ultra-competitive market, where consumer choices abound, retailers must prioritise delivering exceptional service and quality products to build trust, loyalty, and long-term relationships with their customer base.

Bonia is no different, where ensuring the happiness of our customers is fundamental to our success. Our business strategy revolves around delivering exceptional service and rewarding our loyal patrons. As part of our commitment to provide high-quality products while we pursue our mission of becoming a globally renowned luxury brand, our overarching goal is to ensure that every customer enjoys a positive shopping experience with us.

To achieve this goal, we employ a comprehensive approach, which includes:

- Personalised Service: Tailoring interactions and offerings to meet individual customer preferences.
- Feedback Integration: Actively soliciting and integrating customer feedback to continually improve our products and services.
- Rewards Program: Recognising and incentivising loyalty through exclusive benefits and rewards.

These initiatives ensure that Bonia not only meets but exceeds customer expectations, fostering long-term relationships and enhancing brand loyalty in the competitive retail and fashion landscape. To achieve this goal, we adhere to the cycle depicted in the diagram below.



While we continue to foster new customer relationships, we also put a great emphasis on nurturing our current clientele, expressing our deep gratitude to our loyal patrons. Central to enhancing customer satisfaction is our loyalty program, which offers members regular rewards and exclusive incentives. Launched in 2009, the Bonia Loyalty Programme has significantly bolstered customer engagement, making our boutiques a preferred choice over competitors.

On the retail service side, Bonia Group, continues to prioritise exceptional service in all our retail boutiques, understanding that it reflects our dedication to excellence. We place significant emphasis on training our retail personnel comprehensively to ensure they possess in-depth knowledge of our product range. This empowers them to adeptly educate customers on leather care methods that uphold our brand values. Moreover, we go beyond mere transactions by offering repair services and complimentary lifetime polishing to every customer, underscoring our unwavering commitment to delivering exceptional service excellence.



## SUSTAINABILITY STATEMENT

### OUR CUSTOMER (continued)

We place the utmost importance on customer privacy. To ensure compliance with the Personal Data Protection Act 2010, we have engaged a professional consultant to conduct a thorough review of our data handling practices and develop an implementation plan. This proactive approach demonstrates our dedication to protecting our customers' personal information and maintaining the highest standards of data security.



**Number of substantiated complaints concerning breaches of customer privacy & losses of customer data: ZERO in year 2024**

### Customer Engagement

Customer engagement is not just about fostering transactions but about creating meaningful relationships that benefit both the customer and the retailer, leading to mutual satisfaction and long-term success. Nurturing customer engagement is paramount in the vibrant realm of the fashion and retail sector, and establishing robust connections with customers is crucial, especially in a fiercely competitive environment.

At Bonia, every event we curate is meticulously designed to cultivate customer loyalty; our primary goal being to create events that personalise each shopper's experience, encouraging a deeper connection with our brand. Looking back on the previous year, we are proud of the diverse range of customer engagement strategies we have implemented, each carefully tailored to enhance the bond between our brand and our esteemed customers.

### Exclusive Members' events

- **BONIA - January Pearly Blessings Campaign**

To kick off the year with a touch of elegance and appreciation, Bonia launched the January Pearly Blessings Campaign across 20 main stores. This event offered customers personalised gifts and exclusive promotions, creating a memorable shopping experience that resonated with the brand's dedication to craftsmanship and customer satisfaction. The campaign emphasised our commitment to providing unique and thoughtful gestures, enhancing the bond between Bonia and its valued customers.



## SUSTAINABILITY STATEMENT

### OUR CUSTOMER (continued)

- **Braun Buffel - Member in-Store Activation Event**

Simultaneously, Braun Buffel organised an in-store activation event for its members, designed to offer a delightful and exclusive shopping experience. This event featured special promotions, refreshing ice cream treats, and complimentary gifts, making it a memorable occasion for all attendees. By combining exclusive offers with enjoyable refreshments and thoughtful gifts, Braun Buffel reinforced its dedication to customer engagement and loyalty, ensuring that each member felt valued and appreciated.



- **New Stores Opening in The Exchange TRX**

On 29 November 2023, Bonia, Braun Buffel, and Sembonia celebrated the grand opening of their new stores at The Exchange TRX, nestled in the heart of Kuala Lumpur. These new stores are set to deliver an enhanced retail experience infused with contemporary elements and feature innovative layouts and luxurious materials that reflect the brands' commitment to excellence and individuality. This significant milestone marks a new chapter for Bonia, Braun Buffel, and Sembonia, offering customers an elevated shopping experience in Malaysia's vibrant capital.



For further information on these and other events, please refer to our Corporate Diary as disclosed in pages 19 to 45.



## SUSTAINABILITY STATEMENT

### OUR CUSTOMER (continued)

#### Customer Feedback

Customer feedback is a critical component of a company's success, serving as a key driver for product relevance, customer satisfaction, and brand loyalty. Establishing an effective feedback mechanism is essential, as it ensures that the voice of the customer helps inform business decisions. In today's digital age, customers interact across various platforms, including social media, apps, email, and customer service lines, necessitating adaptable marketing strategies to cater to their diverse preferences.

Social media, in particular, offers significant advantages by providing convenient brand access, facilitating real-time interactions, and delivering timely product updates. It is an ideal platform for launching new products, hosting events, and fostering collaborations. For Bonia Group, enhancing the customer experience is a top strategic priority. We collect genuine feedback through both online and offline channels to ensure comprehensive product and service evaluation. In our boutiques, feedback is gathered and directed to the operations team for action. Online, our digital platforms promote active customer engagement, allowing us to stay connected with our audience and continuously improve our offerings.

Additionally, leveraging data analytics from these interactions provides deeper insights into customer preferences and behaviours, enabling Bonia Group to tailor our strategies more effectively. This multifaceted approach ensures that we not only meet but exceed customer expectations, solidifying our position as a customer-centric brand in the retail industry. If customers encounter any issues, they can submit their feedback to our dedicated email addresses: [ecustomercare@bonia.com](mailto:ecustomercare@bonia.com), [customers@sembonia.com](mailto:customers@sembonia.com), or [ecustomercare@braunbuffel.com](mailto:ecustomercare@braunbuffel.com). Their feedback will be directed to our operations team, who will ensure it reaches the appropriate personnel. The various online feedback platforms we utilise are illustrated in the diagram below.

**Diagram 9: Bonia's online and offline customer engagement platforms**



<https://boniacorp.com/>  
[www.bonia.com.my](http://www.bonia.com.my)  
[www.braunbuffel.com](http://www.braunbuffel.com)  
[www.sembonia.com](http://www.sembonia.com)  
[www.valentinorudy.com.my](http://www.valentinorudy.com.my)



[www.facebook.com/BoniaFashion](https://www.facebook.com/BoniaFashion)  
[www.facebook.com/BraunBuffel](https://www.facebook.com/BraunBuffel)  
[www.facebook.com/sembonia](https://www.facebook.com/sembonia)  
[www.facebook.com/ValentinoRudyMY](https://www.facebook.com/ValentinoRudyMY)



[www.instagram.com/bonia\\_official](https://www.instagram.com/bonia_official)  
[www.instagram.com/braunbuffel](https://www.instagram.com/braunbuffel)  
[www.instagram.com/sembonia\\_official](https://www.instagram.com/sembonia_official)  
[www.instagram.com/valentinorudymy/](https://www.instagram.com/valentinorudymy/)



[www.youtube.com/@boniaofficial](https://www.youtube.com/@boniaofficial)  
[www.youtube.com/@BraunBuffelOfficial](https://www.youtube.com/@BraunBuffelOfficial)  
[www.youtube.com/@ValentinoRudyMalaysia](https://www.youtube.com/@ValentinoRudyMalaysia)



[www.tiktok.com/@boniaofficial](https://www.tiktok.com/@boniaofficial)  
[www.tiktok.com/@braunbuffel](https://www.tiktok.com/@braunbuffel)  
[www.tiktok.com/@sembonia\\_official](https://www.tiktok.com/@sembonia_official)  
[www.tiktok.com/@valentinorudy\\_my](https://www.tiktok.com/@valentinorudy_my)



BONIA ID: 2745997489  
 Braun Buffel ID: braunbuffel  
 VALENTINO RUDY ID: Valentinorudymy

#### E-COMMERCE PLATFORM

Bonia : [www.bonia.com.my](http://www.bonia.com.my)  
 Braun Buffel : [www.braunbuffel.com](http://www.braunbuffel.com)  
 Sembonia : [www.sembonia.com](http://www.sembonia.com)

#### CUSTOMER CARELINE

+603-9108 9000

#### EMAIL

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[ecustomercare@braunbuffel.com](mailto:ecustomercare@braunbuffel.com)  
[ecustomerservice@sembonia.com](mailto:ecustomerservice@sembonia.com)

## SUSTAINABILITY STATEMENT

### PRODUCT LABELLING

In the fashion industry, product labelling plays a pivotal role in multiple facets, essential for conveying essential information, shaping brand identity, meeting legal standards, and enhancing consumer satisfaction and confidence. Foremost, product labelling offers consumers critical details such as materials, care instructions, and sizing, enabling informed purchasing decisions and ensuring clarity on product maintenance.

Additionally, labels serve as a visual representation of a brand's unique identity, showcasing logos and design elements that distinguish it in a competitive market, thereby fostering brand recognition and customer loyalty. Moreover, adherence to labelling requirements ensures legal compliance with regulations governing fabric content, care instructions, and safety guidelines.

In today's landscape, where consumers increasingly prioritise social and environmental responsibility, labels provide a crucial platform for brands to communicate their dedication to ethical manufacturing, sustainable sourcing, and fair labour practices. This aligns closely with the values highlighted by Bonia employees, who emphasise responsible supply chain management as a key point of concern. Our commitment to sustainable sourcing, including the use of eco-friendly packaging with FSC-certified paper sources and certification by the Forest Stewardship Council for responsible forest management, reflects these values. By prominently displaying these efforts on our product labels, we not only meet regulatory requirements but also cultivate trust and long-term loyalty among customers who share these values.

To ensure that our products present accurate information to our customers, we provide proper product labelling as shown below using our Monde Large Tote Bag collection as an example. The Monde Large Tote Bag is part of the Bonia 50th Anniversary Sustainable Collection; which features a globe print, uniquely designed by BONIA on a variety of meticulously designed accessories, including backpacks, totes, and crossbody bags. Each piece in the collection embodies BONIA's commitment to sustainability and innovation, incorporating eco-friendly materials and ethical production practices. This collection honours BONIA's rich history and highlights its progressive approach and dedication to support sustainability causes.



#### Description

The Monde Large Tote Bag is the go-to companion for dimensional elegance. Featuring an exquisite Jacquard exterior, it comes with a zip pocket to stow your belongings safely for stylish endeavours and beyond.

#### Feature Details

- 1 Zip Pocket
- 1 Pocket
- 1 Card Slot
- Exterior Material: Jacquard
- Leather Type: 100% Recycled Polyester
- Material Type: Moderate
- Accessories: Silver
- Logo: Silver Metal Logo
- Lining: Plain
- Handle: Single
- Shoulder Strap: Non Detachable, Non Adjustable

Bonia-860490-003

#### Measurement

37cm (L) x 27.5cm (H) x 17cm (W)

#### Exclusive Nayeon by BONIA Complimentary Gifts

- Set of 4 Nayeon Postcard
- x1 Nayeon Love Badge

## SUSTAINABILITY STATEMENT

### PRODUCT LABELLING (continued)

Furthermore, clear and precise labelling contributes significantly to the overall customer experience by minimising confusion and uncertainty, thereby boosting satisfaction and encouraging repeat business. In ensuring that we provide accurate product descriptions and information, we essentially allow our customers to make informed decisions, which ultimately enhances their satisfaction with our products. This approach ensures a seamless shopping journey, where we offer proactive guidance and solutions throughout the purchasing process, including comprehensive care instructions tailored specifically for our leather products post-purchase. These instructions play a crucial role in educating customers on proper leather care practices, ensuring longevity and maintaining the quality and appearance of their items over time. For detailed product care information, please visit our website at <https://www.bonia.com/pages/product-care>.

### OUR COMMUNITY

In 2024, Bonia Group reinforced its commitment to investing within the community through a series of impactful initiatives aimed at measuring and enhancing our ESG criteria. These initiatives are designed to ensure that our investments not only deliver financial returns but also contribute positively to society and the environment. By clearly defining our ESG criteria, we evaluate investments rigorously, considering their impact on communities, stakeholders, and the environment. This approach helps us manage risks effectively while seizing opportunities to create sustainable value for all stakeholders. Some examples of our community investment initiatives are listed below.

#### • Fostering Volunteerism with Kechara Soup Kitchen

Partnering with the Kechara Soup Kitchen, our dedicated team of volunteers actively participated in various community-focused activities. On 21 October and 20 November 2024, our volunteers delivered dry food packs to registered food bank families, ensuring essential provisions reached those in need. Additionally, 16 December 2024, our volunteers took to the streets to distribute meals directly to the homeless. These efforts exemplify Bonia's dedication to making a meaningful contribution to society, reflecting our belief in creating a positive impact beyond the workplace.



Total amount invested in the community

**RM348,000 for approximately 187 beneficiaries**

#### Our Commitment

As a responsible corporate citizen, we are dedicated to making a difference and transforming our approach to the way we do business. Upholding principles of integrity, transparency, and strong governance, we integrate ESG factors into our business operations.

This Statement is made in accordance with a resolution of the Board of Directors of Bonia Corporation Berhad dated 14 October 2024.

SUSTAINABILITY STATEMENT

BURSA PERFORMANCE TABLE

Indicator	Measurement Unit	2024
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	64
Executive	Percentage	85
Non-executive	Percentage	59
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	-
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issue	MYR	348,000
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	187
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	4
Management Between 30-50	Percentage	69
Management Above 50	Percentage	27
Executive Under 30	Percentage	32
Executive Between 30-50	Percentage	57
Executive Above 50	Percentage	11
Non-executive Under 30	Percentage	35
Non-executive Between 30-50	Percentage	45
Non-executive Above 50	Percentage	20
Gender Group by Employee Category		
Management Male	Percentage	32
Management Female	Percentage	68
Executive Male	Percentage	24
Executive Female	Percentage	76
Non-executive Male	Percentage	28
Non-executive Female	Percentage	72
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	80
Female	Percentage	20
Under 30	Percentage	-
Between 30-50	Percentage	60
Above 50	Percentage	40

Internal assurance	External assurance	No assurance	(*)Restated
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## SUSTAINABILITY STATEMENT

Indicator	Measurement Unit	2024
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	1,303
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	-
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	-
Bursa C5(c) Number of employees trained on health and safety standards	Number	40
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	1,511
Executive	Hours	666
Non-executive	Hours	3,671
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	10
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	9
Executive	Number	12
Non-executive	Number	165
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	-
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	31
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	-
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	10

Internal assurance	External assurance	No assurance	(*)Restated
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## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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The Board of Directors of Bonia Corporation Berhad ("Board"), in recognising the importance of corporate governance, is committed to ensure that the Group carries out its business operations with integrity, transparency and professionalism.

The Board is pleased to provide the following statement, which outlines the practices adopted by the Company in compliance with the Principles and Recommendations set out in the Malaysian Code on Corporate Governance 2021 ("MCCG") to protect and enhance all aspects of the shareholders' value.

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

#### I. Board Responsibilities

##### *Roles and responsibilities of the Board*

The Board plays pivotal role in leading and managing the Group with the ultimate objective of realising long-term shareholders' value. The collective responsibilities and roles of the Board, among others, are to:

- review and adopt the overall strategic plans and programmes for the Group
- oversee and evaluate the conduct of businesses of the Company and of the Group
- identify principal risks and ensure implementation of appropriate internal controls and mitigation measures
- establish a succession plan
- develop and implement a shareholder communication policy for the Company
- review the adequacy and the integrity of the management information and internal control systems of the Group
- provide oversight and monitoring of environmental, social and governance aspects of business in the Group which underpin sustainability

In discharging both its fiduciary and leadership functions, the Board is guided by its Board Charter (a copy of which is posted on the Company's website) that sets out the composition, roles, duties and processes of the Board as well as those functions delegated to the Board Committees and the management.

##### *Chairman of the Board*

During the FY2024, the then Founder and Group Executive Chairman, Chiang Sang Sem led the Board. Subsequently on 01 October 2024, Datuk Ng Peng Hong @ Ng Peng Hay was redesignated as the Senior Independent Non-Executive Chairman of the Company and continued his predecessor's functions to instill good corporate governance practices, leadership and effectiveness of the Board, and promotes effective communication to shareholders and other stakeholders of the objectives, strategies and policies of Bonia Group.

##### *Separation of roles of Chairman and CEO*

On 01 October 2024, Dato' Sri Chiang Fong Seng was redesignated as the Executive Vice Chairman/Group CEO. He oversees the day-to-day management of the business, risk appetite, sustainability and successful achievement of annual and long-term objectives approved by the Board.

There is a clear and effective division of accountability and responsibility between the Senior Independent Non-Executive Chairman and the Vice Chairman/Group CEO and each plays a distinctive role but complementing each other to ensure that there is a balance of power and authority and no individual has unfettered powers of decision and control.

The presence of Independent Non-Executive Directors who are independent from the management and major shareholders of the Company, free from any business dealing and other relationships that could materially interfere with the exercise of their independent judgement, serves in bringing about impartiality in the Board as a whole. They provide independent judgement and outside experience and objectivity for the purposes of steering the Group strategy as a whole by the Board. Together with the Executive Directors who possess intimate knowledge of the Group's rapidly evolving businesses, the Board is constituted of individuals who are committed to business integrity and professionalism in all their activities.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

#### I. Board Responsibilities (continued)

##### ***Roles and responsibilities of Company Secretary***

Our Company Secretary assists the Board in the matters of corporate governance and directors' duties. She plays a largely supportive role in helping morph the conditions and environment for healthy governance culture and effectiveness of the Group.

Regular updates on matters relating to new statutory and regulatory requirements and corporate governance were received from the Company Secretary. She also keeps the Board informed of those communications received from the relevant regulatory or governmental authorities and/or shareholders (if any).

The Directors have full access to the information within the Group as well as the advice and services of the Company Secretary, the Internal and External Auditors, and other independent professionals in carrying out their duties and if necessary, at the Company's expenses.

##### ***Board charter and Board reserved matters***

The Board Charter is published on the Company's website, and is subject to periodic review and update to ensure compliance with regulatory requirements.

Subject to the limitations imposed by the applicable laws and/or the Company's Constitution, the Board may from time to time delegate responsibility for specified matters to individual Board members, Board committees or the management. However, objective and strategy determination are reserved for decision by the Board and covers such areas as key corporate policies and standards, major financial and other resources allocations, material corporate or financial exercises, significant investments, acquisitions or disposals, declaration of dividend as well as the key risks affecting the Group.

##### ***Code of conduct and ethics, Whistleblowing Policy, and Anti-Bribery And Corruption Policy***

The Board observes the "Code of Ethics for Company Directors" as prescribed by Suruhanjaya Syarikat Malaysia which provides guidance on the standards of conduct and prudent business practices as well as standards of ethical behavior to the Directors. The "Code of Ethics for Company Directors" is published on the Company's website. Any non-compliance, allegation or concern on the relevant issues can be reported confidentially to the Senior Independent Non-Executive Chairman to enable prompt corrective actions to be taken where appropriate.

Bonia's code of conduct and ethics for employees are provided in its Employee Handbook. All concerns or complaints relating to the Group can be channeled to Bonia HR Department.

The Company has formalised its Whistleblowing Policy for Bonia Group and the same is published on the Company's website. The Whistleblowing Policy helps employees and third parties to report possible improprieties at the earliest opportunity so that concerns can be raised without fear of reprisal or detrimental action.

The Anti-Bribery and Corruption Policy of the Group (a copy of which is posted on the Company's website) is part of our anti-bribery management system. This Policy elaborates upon our position and stance on zero-tolerance on, and compliance with, anti-bribery and corruption practices in all forms of the Group's activities, and provides guidance to its users on how to recognise and deal with potential acts of bribery and corruption arising in the course of operations. This Policy applies to any person, either individually or collectively, in discharging their duties for or on behalf of Bonia Group.

##### ***Managing sustainability risks and opportunities***

Our Group believes that effective management of sustainability risks and opportunities contributes to commercial value creation. As such, the Board aligns its strategies along material environmental, social and governance (ESG) considerations, and strives to embed appropriate sustainable practices into our business planning cycles to complement current practices in creating sustainable structures with sustainability performance being monitored from time to time.

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## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

#### II. Board Composition

##### ***Size and Composition of the Board***

Our Company is led by an experienced and diverse Board that is well represented by individuals with professional backgrounds and expertise in the areas of retailing, accounting, finance, corporate management and etc.

There have been boardroom changes at Bonia following the departure of Chong Chin Look (Non-Independent Non-Executive Director) on 30 September 2024 and the appointment of Raja Hamzah Abidin Bin Raja Nong Chik (Independent Non-Executive Director) on 01 October 2024. Presently, there are 4 Executive Directors, 5 Non-Executive Directors, and an Alternate Director on our Board. Out of a total of 9 members on Board, 4 members have executive functions. Although the number of independent directors is less than half of the Board (4 over 9), the Board is of the view that the number of its Independent Directors is adequate at present to provide the necessary check and balance to the Board's decision-making process.

In addition, our Board has appointed Datuk Ng Peng Hong @ Ng Peng Hay as the Senior Independent Non-Executive Chairman to provide support for the Directors in the delivery of the Board's objectives. His appointment and Board position are also meant to foster objectivity in all boardroom activities.

##### ***Independence***

The Board regards independence as an important element for ensuing objectivity and fairness in Board's decision-making. In order to uphold independence, the Board undertakes annual assessment on its Independent Directors judging from events that would affect the ability of the Independent Directors to continue bringing independent and objective judgment to Board deliberations, the criteria of independent directors under regulatory definition, as well as their duty not to act contrary to the interest of the Company.

For those Independent Director(s) who has served the Company for a cumulative term of 9 years or more, the Board's independence test will be extended to check if his independence has been compromised by his length of service, and whether he is still able to exercise independent judgement and demonstrate objectivity in his deliberations in the best interest of the Company and of the Group.

If the Board is satisfied with the assessment results, it will proceed to seek shareholders' approval on its intention to retain those individual Independent Director(s) who has served the Company for a cumulative term of 9 years or more.

##### ***Appointment/Election of directors***

Pursuant to the Constitution of the Company, at least 1/3 of the Directors including the Managing Director (if any) are required to retire from office by rotation annually and shall be eligible for re-election at each annual general meeting ("AGM"). Any Director appointed to fill the casual vacancy shall retire and seek re-election by the shareholders at the next AGM to be held following his appointment.

In this regard, the Board has adopted the Directors' Fit and Proper Policy (a copy of which is posted on the Company's website) to provide guidance to the NRC and the Board in their review and assessment of candidates who are to be appointed or re-elected to the Board.

Upon the recommendations of the NRC, the Board as a whole will determine and nominate individuals for election/re-election to the Board by the shareholders, for filling vacant board seats that may occur between AGMs or as an addition to the existing Directors. Nominees for directorship will be selected with due consideration be given to each candidate's integrity, competence, experience, achievements and commitments regardless of age, gender or ethnicity as guided by the "fit and proper" criteria of directors stipulated in the Directors' Fit and Proper Policy.

##### ***Gender Diversity***

The Board recognises the particular importance of gender diversity for boardroom as recommended by the MCCG and will continue to apply the principle of appointments based on merits with reference to board diversity as a whole. In relation to the Group's diversity, the following were achieved since 01 April 2023:

- there are 2 female Directors (an Independent Non-Executive Director, and an Executive Director) on our Board who serve to bring value to the Board discussions from different perspectives and approaches, and
- an internal statistical report revealed that women hold more than 40% of the senior management positions in the Group.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

#### II. Board Composition (continued)

##### **Overall effectiveness of the Board and individual directors, and the independence of independent directors**

Formal and objective assessments to determine the effectiveness of the Board, Board Committees and the individual Directors as well as the independence of Independent Directors are carried out annually within 4 months after the close of each financial year.

##### **Board Committees**

The Board may from time to time establish appropriate committees and delegate specific duties to such committees as the Board deems fit. Such committees shall operate within their own defined charters that are approved by the Board.

Reports on committees' meetings and activities are submitted to the Board at the next regularly scheduled meeting of the Directors for their evaluation and consideration. However, the ultimate responsibility for the final decision on the matters concerned, lies with the entire Board.

##### (i) Audit & Risk Management Committee ("ARC")

The primary objectives of the ARC are to assist the Board in examining the Group's financial reporting, risk management and internal control system, internal and external audit processes, related party transactions, and conflict of interests situation, and to submit to the Board its recommendations and/or reports on matters within its purview or other matters of the Group referred to it by the Board, for the Board's consideration.

The summary of activities of the ARC are set out in the Report of the Audit & Risk Management Committee of this Annual Report.

##### (ii) Nomination & Remuneration Committee ("NRC")

The NRC is tasked to assist the Board in:

- *Board performance* - to assess and recommend to the Board the candidature of directors and boardroom diversity, appointment of directors to board committees, review of the Board's succession plans and training programmes, and to carry out periodic review on the composition and size of the Board, including the performance of individual Directors, and the independence of Independent Directors so to assess the appropriateness and effectiveness of the Board as a whole, and
- *Board remuneration* - to carry out periodic review on the remuneration policies and procedures to attract, retain and motivate Directors. The remuneration package should be aligned with the business strategy and long-term objectives of the Company and of the Group as well as to reflect the Board's responsibilities, expertise and complexity of the Company's activities.

The responsibilities of the NRC are set out in the Nomination & Remuneration Committee Charter duly approved by the Board, a copy of which is posted on the Company's website.

During the FY2024, the NRC consisted of 3 Independent Non-Executive Directors namely Datuk Ng Peng Hong @ Ng Peng Hay, Azian Binti Mohd Yusof and Law Wei Liang.

On 01 October 2024, the NRC was restructured to be chaired by Law Wei Liang (Independent Non-Executive Director). Other members of the ARC are Azian Binti Mohd Yusof (Independent Non-Executive Director) and Raja Hamzah Abidin Bin Raja Nong Chik (Independent Non-Executive Director). They possess a wide range of necessary skills to discharge their duties and responsibilities.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

#### II. Board Composition (continued)

##### **Board Committees (continued)**

The NRC members met once in the FY2024, with the following record of attendance:

<b>NRC member</b>	<b>No. of meetings attended/held</b>
Law Wei Liang <sup>(1)</sup>	1/1
Datuk Ng Peng Hong @ Ng Peng Hay <sup>(2)</sup>	1/1
Azian Binti Mohd Yusof	1/1
Raja Hamzah Abidin Bin Raja Nong Chik <sup>(3)</sup>	0/0

Note(s):

<sup>(1)</sup> Appointed as the Chairman of the NRC with effect from 01 October 2024

<sup>(2)</sup> Ceased as the Chairman and a member of the NRC with effect from 01 October 2024

<sup>(3)</sup> Appointed as a member of the NRC with effect from 01 October 2024

The NRC's annual work plan for the FY2024 focused on 3 key areas as follow:

<i>Performance evaluation on the Board as a whole, the Committees of the Board, each of the individual Board Member, and the independence of the Independent Directors</i>	<p>The NRC carried out Board and committees assessments by individual directors, self and peer assessments together with an assessment of independence of independent directors for the purposes of evaluating the performance of the Board as a whole, the Committees of the Board, each of the individual Board member, and the independence of the Independent Directors.</p> <p>The following key evaluation criteria have been carefully reviewed during the assessments:</p> <ul style="list-style-type: none"> <li>• <i>Performance of the Board and Board Committees</i> - composition, structure, processes, principal responsibilities, succession planning and governance matters</li> <li>• <i>Performance of each individual Board member, and independence of Independent Directors</i> - competency, integrity, skills, experience, commitment, contribution, conflict of interest and independence as guided by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR").</li> </ul> <p>No major concerns were identified in the evaluation result and the NRC was satisfied with the overall performance of the parties under review, particularly the term of office and performance of the ARC and each of its members where they have carried out their duties efficiently and effectively in accordance with the ARC Charter.</p>
<i>Election, re-election, appointment, re-appointment and retention of Board members</i>	<p>The NRC gave its full support to Directors concerned to be elected/re-elected/ at the Company's 32nd AGM after going through detailed assessments on the quality, contribution and/or independence of such Directors.</p>
<i>Fees and remuneration package of Directors</i>	<p>After taking into consideration the annual performance of the Directors as well as the financial condition of the Group, the NRC was of its view that the Directors' emoluments other than fees for the FY2023 was fair and justified, and also proposed for: (i) Directors' Benefits by Bonia Corporation Berhad up to an amount of RM110,000 for the period from 01 December 2023 until the next AGM of the Company to be held in 2024, and (ii) Directors' fees of Bonia Corporation Berhad and its subsidiaries not exceeding RM1,800,000 for the FY2024 to be divided amongst the Directors in such manner as they may determine, with payment of the fees to be made semiannually in arrears at the end of each half-year, to reward the Board members.</p>

The NRC also recommend to the Board for an ex-gratia payment to be made to Dato' Sri Chiang Fong Yee (the former Non-Independent Non-Executive Director of the Company who had served the Board for a cumulative term of more than 4 years, and resigned on 03 April 2023) in recognition and appreciation of his past service and contribution to the Company and/or its subsidiaries, quantum of which was being determined at Board level, and was subsequently being approved by the Company's shareholders in the 32nd AGM.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

#### II. Board Composition (continued)

All activities and recommendations of the NRC were reported and accepted by the Board. The Board was also satisfied with the overall performance of the NRC, ARC, the Board and individual Directors as well as the independence of Independent Non-Executive Directors via its performance evaluations conducted at Board level.

#### **Board Commitment**

All Board members are committed to devote sufficient time to carry out their responsibilities effectively. The Directors shall notify the Chairman of the Board before accepting any new directorship with an indication of time that will be spent on the new appointment. Acceptance of such new directorship shall not result in a conflict with the discharge of the Directors' duties to the Company.

The Directors meet as and when necessary, on dates selected and upon notice as provided by the Company's Constitution, to deliberate and consider various matters of the Group within the scope of the Board.

The following are the details of attendance of the Directors at all Board meetings held during FY2024:

Director	Attendance	Percentage
Datuk Ng Peng Hong @ Ng Peng Hay <sup>(1)</sup>	6/6	100%
Dato' Sri Chiang Fong Seng <sup>(2)</sup>	6/6	100%
Chiang Sang Sem <sup>(3)</sup>	5/6	83%
Dato' Sri Chiang Fong Tat	5/6	83%
Chiang May Ling	6/6	100%
Datuk Chiang Heng Kieng	6/6	100%
Law Wei Liang	6/6	100%
Azian Binti Mohd Yusof	6/6	100%
Raja Hamzah Abidin Bin Raja Nong Chik <sup>(4)</sup>	0/0	0%
Chiang Fong Xiang (Alternate Director to Chiang May Ling)	6/6	100%

Note(s):

<sup>(1)</sup> Redesignated as the Senior Independent Non-Executive Chairman with effect from 01 October 2024

<sup>(2)</sup> Redesignated as the Executive Vice Chairman/Group CEO with effect from 01 October 2024

<sup>(3)</sup> Redesignated as the Founder and Group Executive Director with effect from 01 October 2024

<sup>(4)</sup> Appointed as an Independent Non-Executive Director with effect from 01 October 2024

#### **Supply of Information**

Prior to Board meetings, the Chairman sets the board agenda and ensures that board members are furnished with comprehensive meeting materials of a quality in a timely manner to enable them to discharge their duties and responsibilities efficiently and effectively. Proposals are supported with management papers and be presented to the Board for evaluation and consideration. The Board's deliberations, dissenting views (if any) and decisions are recorded in the minutes of meeting. All the Directors observe the requirements that they do not participate in the discussions or decision-making of the matters in which they are interested in. Urgent matters that require immediate attention of the Board may be resolved via directors' resolutions in writing to speed up the decision-making process.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

#### II. Board Composition (continued)

##### **Continuous Professional Development**

Induction programmes will be conducted for all newly appointed Board members and company secretaries including, where appropriate, visits to the Group's business and meeting with the management to facilitate their understanding of the Group's businesses and operations.

All the Directors on Board during the FY2024 have attended the Mandatory Accreditation Training Programme (MAP) as prescribed by the MMLR, whereas the continuous training programmes attended by the Directors are as follows:

Director	Particulars of the training programmes
Datuk Ng Peng Hong @ Ng Peng Hay	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II: Leading for Impact</li> </ul>
Dato' Sri Chiang Fong Seng	<ul style="list-style-type: none"> <li>The Role of Branding in the Digital Age</li> <li>Shopping Mall Conference 2023: Re-inventing Shopping Malls - The Paradigm Shift</li> <li>Sustaining the Family Legacy: How to Successfully Transition across Generations</li> <li>Intertextile Shanghai Apparel Fabrics - Autumn Edition 2023</li> <li>Corporate Profit Growth Bootcamp</li> <li>Asia Pacific NextGen Club event 2024</li> </ul>
Chiang Sang Sem	<ul style="list-style-type: none"> <li>MIPEL Fair</li> <li>Lineapelle Fair</li> </ul>
Dato' Sri Chiang Fong Tat	<ul style="list-style-type: none"> <li>Canton Fair Guangzhou</li> <li>Mipel Italy</li> <li>Lineapelle Italy</li> <li>Canton Fair Guangzhou</li> </ul>
Chiang May Ling	<ul style="list-style-type: none"> <li>Hong Kong International Licensing Show</li> <li>Hong Kong Gift &amp; Premium Fair</li> <li>Hong Kong International Printing &amp; Packaging Fair</li> <li>Canton Fair (China Import and Export Fair)</li> <li>ZhangQi - New Business Talk – Grow Your Business</li> </ul>
Datuk Chiang Heng Kieng	<ul style="list-style-type: none"> <li>Talk on "Don't Fall for Scammer"</li> <li>Engagement Session with CEO of The Inland Revenue Board of Malaysia (IRBM): Onboarding Malaysia to E-Invoicing</li> <li>MRCA CEO Get-Together October 2023</li> <li>Hitting the Gong: IPO and Listing Your Company on Bursa Malaysia</li> <li>6th China International Import Expo</li> <li>"How Companies Can Achieve High Growth" Forum</li> <li>MRCA CEO Get-Together March 2024: Alibaba Cloud CXO Nexus World Tour</li> <li>Selling Beyond Borders: Towards Export Capability</li> <li>MRCA CEO Get-Together June 2024</li> </ul>
Law Wei Liang	<ul style="list-style-type: none"> <li>Seminar on "[SSM Webinar] Auditors, Financial Statements and Directors Report"</li> <li>Seminar on "[SSM Webinar] Dividends: When and How to Pay"</li> <li>Anti-Money Laundering Regime: Directors and Company Secretary's Reporting Obligations</li> </ul>
Azian Binti Mohd Yusof	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II: Leading for Impact</li> </ul>
Chiang Fong Xiang	<ul style="list-style-type: none"> <li>Lineapelle Leather Fair, Milan</li> <li>Canton Fair, China Import and Export Fair</li> </ul>

The Board and the Company Secretary will continue to assess their own training needs and undergo relevant training and development programmes to expand their knowledge and to keep abreast with new developments in the business environment.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

#### III. Remuneration

##### ***Board and Senior Management Remuneration Policies and Procedures***

The objective of the Company's policy on Directors' and senior management's remuneration is to ensure the level of remuneration is sufficient to attract and retain high caliber Directors and senior management to run the Group successfully.

All the Executive and Alternate Directors of Bonia Corporation Berhad are part of the Key Senior Management of the Group, their remunerations are reviewed by the NRC, and thereafter by the Board on an annual basis within 4 months after the close of each financial year prior to tabling for the approval of the shareholders of the Company.

Pursuant to Section 230(1) of the Companies Act 2016 ("CA2016"), the fees of the directors, and any benefits payable to the directors including any compensation for loss of employment of a director or former director of a listed company and its subsidiaries, shall be approved at a general meeting. Suruhanjaya Syarikat Malaysia further clarified that "benefits" as prescribed in Section 230(1) of the CA2016 that requires shareholders' approval are those benefits that are arose from the appointment to the office of a director. Accordingly, the proposed fees and benefits payable to the Directors of the Company for the FY2025 shall be tabled at the forthcoming AGM for the consideration of the shareholders.

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### I. Audit & Risk Management Committee

##### ***The ARC***

The ARC shall examine the Group's matters pertaining to the financial reporting, risk management and internal control, internal and external audit processes, related party transactions, and conflict of interest situation, and reports its findings and/or recommendations for the consideration of the Board.

All the members of the ARC are Independent Non-Executive Directors and are financially literate and have good understand of the Group's businesses. The ARC is chaired by the Chairman who is not the Chairman of the Board.

##### ***Relationship with the External Auditors***

The Board, via the ARC, has established a transparent and appropriate relationship with the Group's External Auditors. In the course of audit of the Group's operations, the External Auditors highlighted to the ARC and the Board, matters that require their attention.

##### ***Financial Reporting***

The Board aims to present a balanced and meaningful assessment of performance and prospects of the Group in all of its financial reports. The unaudited and audited financial statements of the Group which are drawn up in compliance with the provisions of the Companies Act 2016 and the applicable Malaysian Financial Reporting Standards and International Financial Reporting Standards, and are released to the public within the stipulated time frame, reinforce the Board's commitment to ensure the accuracy, completeness and timely dissemination thereof for greater accountability and transparency.

The Directors' Responsibility Statement made pursuant to Paragraph 15.26(a) of the MMLR of Bursa Malaysia Securities Berhad in relation to the Financial Statements is presented in the appropriate section of this Annual Report.

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## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (continued)

#### I. Audit & Risk Management Committee (continued)

##### *Independence of External Auditors*

The independence of External Auditors is essential to the provision of an objective opinion on the truth and fairness of the financial statements. As such, the ARC is mandated to ensure continuing objectivity and independence of the External Auditors. The ARC performs annual review on the External Auditors on a number of criteria including, but not limit to:

- the independence of the external audit firm from the Group and their ability to maintain independence throughout the engagement;
- there being no conflict of interest situations that could affect the independence of the External Auditors;
- the external audit firm's compliance with Malaysian regulations and ethical guidance relating to rotation of audit partner and succession planning;
- professional competency, experience and integrity of key personnel;
- the thoroughness of audit approach and methodology;
- audit budget;
- the provision of non-audit services by the External Auditors (if any) shall not cause an impairment to the objectivity and independence of the audit firm; and
- effective control of multi-geographical audit process.

Subject to satisfactory performance and the recommendation of the ARC, the Board will recommend the re-appointment of the External Auditors to shareholders at the AGM. If the ARC does not recommend the incumbent audit firm, a tender process will be carried out by the ARC and executive management to select a new audit firm.

#### II. Risk Management and Internal Control Framework

##### *Responsibilities of the Board*

The Board acknowledges its responsibilities for the Group's risk management and system of internal controls covering not only financial controls but also operational and compliance controls. The ARC which comprises all Independent Non-Executive Directors, assists the Board to oversee the Company's risk management framework and policies.

Necessary steps shall be taken by the Board from time to time to identify, assess and monitor key business risks, and constantly review and enhance its internal control system to manage such risks with objective to safeguard the shareholders' investments and the Group's assets.

The Statement on Risk Management & Internal Control in this Annual Report provides an overview on the state of risk management and internal controls within the Group.

##### *Independence of Internal Auditors*

Assessment on the performance and independence of Internal Auditors is carried out annually within 4 months after the close of each financial year.

During the ARC and the Board's annual reviews on the outsourced Internal Auditors of the Company namely M/s NeedsBridge Advisory Sdn. Bhd. ("NBSB") for the FY2024, both the ARC and the Board were satisfied that:

- the internal audit personnel assigned to handle the internal audit function of Bonia Group were free from any relationship and no conflict of interest with the Group;
- the key personnel who involved in the internal audit function of Bonia Group were equipped with the necessary skills and knowledge to carry out their duties and responsibilities; and
- NBSB has carried out the internal audit function in accordance with the professional, and of Bonia Group's recognised framework.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

#### I. Communication with Stakeholders

##### **Corporate Disclosure**

The Company recognises the importance of keeping its shareholders, investors and stakeholders informed of the Group's performance and corporate developments. The Board maintains a high level of transparency and accountability in its disclosure procedures by observing the corporate disclosure framework under Bursa Malaysia Securities Berhad and other regulatory bodies to provide timely and material information of the Group to the public at large to facilitate their decision-making process. The Board also refers to the "Corporate Disclosure Guide" issued by Bursa Malaysia Securities Berhad to address the gaps (if any) and to enhance the quality of its disclosure practices.

Pertinent and updated information of the Group is disseminated via media conferences, press releases, corporate reports, circulars and announcements from time to time. The Board also leverages on its website to provide quick access to information on the Group to its stakeholders. Alternatively, the Group's latest announcements on financial reports and corporate developments can be retrieved from Bursa Malaysia Securities Berhad's website at [www.bursamalaysia.com](http://www.bursamalaysia.com).

#### II. Conduct of General Meetings

##### **General Meetings**

General Meeting is a crucial mechanism in shareholders communication and remains the principal forum for dialogue with shareholders of the Company. At general meetings, shareholders, their appointed proxies or authorised corporate representatives have direct access to the Board and senior management and are given the opportunity to discuss about the resolutions being proposed or about the Group's businesses and operations in general.

Pursuant to Paragraph 8.29A of the MMLR, all resolutions set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting of the Company, shall be voted by poll based on the principle of "one share one vote", and the Company shall appoint at least 1 scrutineer to validate the votes cast at the general meeting. The mandatory poll voting ensures fairness, transparency and effective representation of the members in general meetings of the Company.

Shareholders are able to find out the poll results at the respective general meetings, on the Company's website as well as the Company's announcements to Bursa Malaysia Securities Berhad at [www.bursamalaysia.com](http://www.bursamalaysia.com).

To ensure that shareholders are given sufficient notice and time to consider the resolutions that will be discussed and decided at an AGM, the Company serves a longer notice period of 28 days or more to its shareholders to enable outstation or overseas shareholders in particular, to participate fully in the AGM. All the Directors of the Company shall attend the AGM and to provide meaningful response to the questions raised by the shareholders, their appointed proxies or authorised corporate representatives.

### CONCLUSION

The Board is satisfied that the Company has substantially complied with the Principles and Recommendations set out in the MCCG throughout the FY2024. Where a specific Practice of the MCCG has not been observed during the financial year under review, the departure has been explained in the Corporate Governance Report of the Company.

This Statement is made in accordance with a resolution of the Board of Directors of Bonia Corporation Berhad dated 14 October 2024.

## REPORT OF THE AUDIT & RISK MANAGEMENT COMMITTEE

The Board of Directors of Bonia Corporation Berhad ("Board") is pleased to present the Report of the Audit & Risk Management Committee ("ARC") for the FY2024.

### RESPONSIBILITIES OF THE ARC

The responsibilities of the ARC are set out in the Audit & Risk Management Committee Charter duly approved by the Board, a copy of which is posted on the Company's website.

Being a delegated body of the Board, the ARC is empowered to investigate any matter within its purview at the cost of the Company. Information pertaining to the Group is made available to the ARC members to ease their investigation role, and the ARC received full support from the Board members, Company Secretary, Internal and External Auditors as well as the staff of the Group in discharging its duties during the FY2024.

All members of the ARC undertook continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

### MEMBERSHIP AND MEETINGS

During the FY2024, the ARC consisted of 3 Independent Non-Executive Directors namely Datuk Ng Peng Hong @ Ng Peng Hay, Azian Binti Mohd Yusof and Law Wei Liang.

On 01 October 2024, the ARC was restructured to be chaired by Law Wei Liang (Independent Non-Executive Director). Other members of the ARC are Azian Binti Mohd Yusof (Independent Non-Executive Director) and Raja Hamzah Abidin Bin Raja Nong Chik (Independent Non-Executive Director). They possess a wide range of necessary skills to discharge their duties. All members were financially literated and were able to understand matters under the purview of the ARC including the financial reporting process.

During the FY2024, the ARC members met 5 times, with the following record of attendance:

ARC member	No. of meetings attended/held
Law Wei Liang <sup>(1)</sup>	5/5
Datuk Ng Peng Hong @ Ng Peng Hay <sup>(2)</sup>	5/5
Azian Binti Mohd Yusof	5/5
Raja Hamzah Abidin Bin Raja Nong Chik <sup>(3)</sup>	0/0

Note(s):

<sup>(1)</sup> Appointed as the Chairman of the ARC with effect from 01 October 2024

<sup>(2)</sup> Ceased as the Chairman and a member of the ARC with effect from 01 October 2024

<sup>(3)</sup> Appointed as a member of the ARC with effect from 01 October 2024

Other regular attendees at the ARC meetings included the invited Executive Directors, senior or middle management, and representatives from the Internal or External Auditors, to assist the ARC's discussions and consideration of reports, and to answer questions in relation to internal or external audit reviews and improvement recommendations. The ARC Chairman will then report on key issues discussed at each meeting to the Board for their further considerations and deliberations. A private discussion between the ARC and the External Auditors was held in the FY2024 to provide additional opportunity for open dialogue and feedback without the presence of the Executive Directors, Non-Independent Non-Executive Directors, Company Secretary, and management.

## REPORT OF THE AUDIT & RISK MANAGEMENT COMMITTEE

### KEY AREAS OF FOCUS FOR THE ARC

The ARC's annual work plan for the FY2024 focused on 5 key areas covering the: (i) financial reporting, (ii) risk management and internal control, (iii) internal audit, (iv) external audit, (v) related party transactions, and conflict of interest.

<i>Financial reporting</i>	The ARC reviewed the quarterly reports and year-end financial statements before recommending to the Board for consideration and approval, and concluded that the going concern assumption, changes in or implementation of accounting policies and practices, significant audit adjustments, and major judgmental areas made by the management in those quarterly reports and year-end financial statements, were in compliance with approved accounting standards, regulatory and other legal requirements for financial reporting, and those reports were fair and reasonable in reflecting the Group's business performance.
<i>Risk management and internal control</i>	The ARC assessed the risk profile, risk appetite, levels of tolerance of the Group, challenged and tested on the adequacy and integrity of the internal control system in place to manage the selected areas representing significant risks, considered the findings and recommendations made by the Internal and External Auditors and management's response or actions to mitigate control deficiencies, and concluded that the risk management and internal control system of the Group is continuously being enhanced to safeguard the shareholders' investments and the Group's assets.
<i>Internal audit</i>	The ARC assessed the internal audit plan, audit methodology, remuneration, scope of works, and reports on audit findings and recommendations presented by the Internal Auditors, considered the management's response and follow up actions thereto to ensure significant findings are adequately addressed by the management. The ARC concluded that the internal audit processes duly completed by the Internal Auditors in FY2024 were adequate, added value and improved the efficiency of the operations of the Group.
<i>External audit</i>	Prior to the commencement of annual audit, the ARC reviewed the audit plan, audit strategy, scope of work, independence, objectivity and remuneration proposed by the External Auditors. Thereafter, the ARC discussed with the External Auditors their audit findings, audit reports, management letters and management's response to the concerns raised by the External Auditors. It was concluded that the audit processes carried out by the External Auditors were comprehensive and added credibility to the Group's financial statements which allowed the stakeholders of the Group to use them with greater confidence.
<i>Related party transactions, and conflict of interest</i>	<p>In accordance with the threshold and provisions specified in Chapter 10 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB"), and the methods and procedures to govern the requirements of related party transactions ("RPT") and recurrent related party transactions ("RRPT") duly established by the Company, the ARC identified, tracked and monitored potential and existing RPT and RRPT of the Group.</p> <p>The ARC critically verified and reviewed related party relationships and the RPT and RRPT along with the information, explanations and justifications from the management with regard to such transactions, determined whether the transactions were ultimately benefited the Company and/or its subsidiaries, and provided timely recommendations to the Board for further consideration.</p> <p>For RRPT, due consideration also being given to the nature and class of such transactions that are supposed to be consistent with the ordinary course of the Group's business, undertaken on an arm's length basis at the prevailing prices or market rates and are based on usual and fair commercial terms not more favorable to related parties than those generally available to the public, or otherwise in accordance with the applicable industry norms. Where there is no market value for a particular transaction, the transaction will be on a willing buyer willing seller basis or the nearest equivalent. These transactions are also not prejudicial to the interest of the shareholders of the Company and not detrimental to its minority shareholders.</p> <p>The ARC also reviewed the appropriateness of the relevant announcements to BMSB, circular to shareholders (if any) and disclosures made in the Annual Report of the Company.</p> <p>After making all the necessary enquiries to the management and Directors of the Company, the ARC reported to the Board that they have no knowledge of the existence of any conflict of interest within the Group involving Directors and/or key management during the FY2024.</p>

## REPORT OF THE AUDIT & RISK MANAGEMENT COMMITTEE

### THE INTERNAL AUDIT FUNCTION

The Group's internal audit function was being outsourced to M/s NeedsBridge Advisory Sdn. Bhd. ("NBSB"). NBSB is a professional firm that has adequate resources and appropriate standing to undertake its activities independently and objectively to provide reasonable assurance to the ARC regarding the adequacy and effectiveness of risk management, internal control and governance systems. The Internal Auditors report directly to the ARC. All NBSB personnel assigned to undertake internal audit on Bonia Group are free from any relationships or conflicts of interest which could impair their objectivity and independence. They are competent and experienced, and are able to access information of the Group for them to carry out the audit function in accordance with the Group's "Risk Management And Internal Control Framework" effectively.

NBSB adopts a risk-based methodology in its work and undertakes regular risk and vulnerability assessment on the business units (operational and non-operational) within the Group, highlights significant weaknesses and makes appropriate recommendations for improvement to ensure proper, economic and effective use of resources of the Group.

The internal audit plans presented by NBSB were reviewed and approved by the ARC and endorsed by the Board. All in, 2 audit visits to the targeted business units that represented the key risk areas were carried out in FY2024. During the audit visits, the representatives of the Internal Auditors had tested the efficiency and effectiveness of the risk management and internal control system of those business units, benchmarked them against the industry practices and suggested appropriate processes and procedures to mitigate the control deficiencies. The relevant findings, management's response and/or recommendations were reported to the ARC, and thereafter to the Board in their quarterly meetings held. The fee incurred for the FY2024 in relation to the internal audit function is RM30,900.

### THE EXTERNAL AUDITORS

The ARC places great importance on the quality and effectiveness of the audit services of the External Auditors and considers the appointment or re-appointment (as the case may be) of the External Auditors annually.

The following areas are essential upon evaluating the performance of the External Auditors for the FY2024:

<i>Independence and objectivity</i>	<p>The ARC received a written assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.</p> <p>The External Auditors also informed the ARC that:</p> <ul style="list-style-type: none"> <li>• M/s BDO PLT is seeking for its re-appointment at the forthcoming 33rd AGM of the Company; and</li> <li>• Law Kian Huat is the Lead Audit Partner responsible for the Group's audit for FY2024, and will continue his role should M/s BDO PLT be re-appointed External Auditors of the Company.</li> </ul>												
<i>Effectiveness</i>	<p>The ARC met with the Executive Directors and management to obtain their feedback pertaining to the effectiveness of the External Auditors, judging from the thoroughness of their audit approach and methodology, the competency, experience and integrity of their key personnel, and the quality of the audit delivery.</p>												
<i>Audit and Non-Audit Fees</i>	<p>In relation to the audit services provided by M/s BDO PLT for the FY2024, the shareholders of the Company have granted their approval for the Board to determine the remuneration of the External Auditors at the Company's 32nd AGM held on 30 November 2023.</p> <p>During the FY2024, the External Auditors also rendered non-audit services to the Group including the review of the Company's Statement on Risk Management &amp; Internal Control, agreed upon procedures of subsidiary companies' gross sales statements to landlords, and etc.</p> <p>After due consideration, both the ARC and the Board were of the view that the following audit and non-audit fees for the FY2024 duly incurred by M/s BDO PLT and its affiliates are fair and reasonable, and the provision of the non-audit services to the Group did not impair, or was not perceived to impair the independence and objectivity of the External Auditors:</p> <table border="1" style="width: 100%; margin-top: 10px;"> <thead> <tr> <th style="text-align: left;"><b>Fees incurred</b></th> <th style="text-align: right;"><b>Audit Fee (RM'000)</b></th> <th style="text-align: right;"><b>Non-Audit Fee (RM'000)</b></th> </tr> </thead> <tbody> <tr> <td>The Company</td> <td style="text-align: right;">65</td> <td style="text-align: right;">3</td> </tr> <tr> <td>The subsidiaries of the Company</td> <td style="text-align: right;">691</td> <td style="text-align: right;">20</td> </tr> <tr> <td><b>Total:</b></td> <td style="text-align: right;"><b>756</b></td> <td style="text-align: right;"><b>23</b></td> </tr> </tbody> </table>	<b>Fees incurred</b>	<b>Audit Fee (RM'000)</b>	<b>Non-Audit Fee (RM'000)</b>	The Company	65	3	The subsidiaries of the Company	691	20	<b>Total:</b>	<b>756</b>	<b>23</b>
<b>Fees incurred</b>	<b>Audit Fee (RM'000)</b>	<b>Non-Audit Fee (RM'000)</b>											
The Company	65	3											
The subsidiaries of the Company	691	20											
<b>Total:</b>	<b>756</b>	<b>23</b>											



## REPORT OF THE AUDIT & RISK MANAGEMENT COMMITTEE

The performance evaluation on the External Auditors duly conducted in mid of October 2024 indicated a satisfactory result to the ARC and recommendation was made to the Board for the re-appointment of the External Auditors. The Board has accepted this recommendation and a resolution for the re-appointment will be put to the shareholders at the forthcoming 33rd AGM of the Company.

### RECURRENT RELATED PARTIES TRANSACTIONS OF REVENUE OR TRADING NATURE (“RRPT”)

During the FY2024, the ARC also closely monitored all the RRPT undertaken by Bonia Group and concluded that those RRPT were conducted on arm's length basis, under normal commercial terms consistent with the Group's business practices, on terms not more favourable to the related parties than those generally available to the public and were not to the detriment of the minority shareholders of the Company.

The class and nature of the RRPT of Bonia Group are tabulated as follows:

RRPT No.	Transacting party	Transacting related party	Interested directors, major shareholders and/or persons connected with them	Nature of transactions	Actual aggregate value transacted during the FY2024 (RM'000)
1.	Bonia Group	Speciale Eyewear Sdn. Bhd. (“SESB”)	Datuk Chiang Heng Kieng and persons connected with him (including their family)	Purchase of eyewear from SESB	223
2.	Bonia Group	Speciale Eyewear Sdn. Bhd. (“SESB”)	Datuk Chiang Heng Kieng and persons connected with him (including their family)	Receipt of rental income from SESB	35
3.	Bonia Group	Bonia International Holdings Pte. Ltd. (“BIH”)	Chiang Sang Sem and persons connected with him (including their family)	Payment of Bonia trademark royalties to BIH	592

The aggregate value of the RRPT transacted during the FY2024 as compared to the net assets of Bonia Group as reported in the Audited Financial Statements FY2024 of Bonia Corporation Berhad is 0.18%.

### CONCLUSION

The Board is of the view that the ARC and all its members have discharged their duties and responsibilities effectively during the FY2024 and the new ARC members will strive to maximise the quality of the risk management, internal control and governance framework of the Group.

This Statement is made in accordance with a resolution of the Board of Directors of Bonia Corporation Berhad dated 14 October 2024.

## STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

The Board of Directors of Bonia Corporation Berhad (“Board”) is pleased to present its Statement on Risk Management & Internal Control for the FY2024, which has been prepared pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“MMLR”) and as guided by the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers (“SRMIC Guidelines”). This statement outlines the nature and state of risk management and internal controls of the Group (comprising the Company and its subsidiaries) during the FY2024. The associated companies of the Group have not been dealt with as part of the Group for the purposes of applying these guidelines.

### BOARD RESPONSIBILITIES AND ASSURANCE

Cognizant of the importance of the Group’s risk management and internal control system to safeguard the shareholders’ investment and the Group’s assets, the Board strives to apply a risk-sensitive approach in identifying, evaluating and managing significant risks that may affect the Group’s businesses. The Group’s internal control system encompasses all types of control including those of a strategic, operational, reporting and compliance nature, and it is being closely monitored and adjusted to be consistent with the risk appetite and tolerance levels set by the Board.

The management assists the Board in embedding risk management and internal control system in all aspects of the Group’s activities. They play a key role in ensuring the sanctioned practices, processes and procedures to address current and emerging risks are appropriately implemented throughout the Group, and to promptly report any significant deficiencies and weaknesses of the control environment to alleviate and manage such risks.

In view of the limitations that are inherent in any systems of risk management and internal control, the Group’s system of risk management and internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

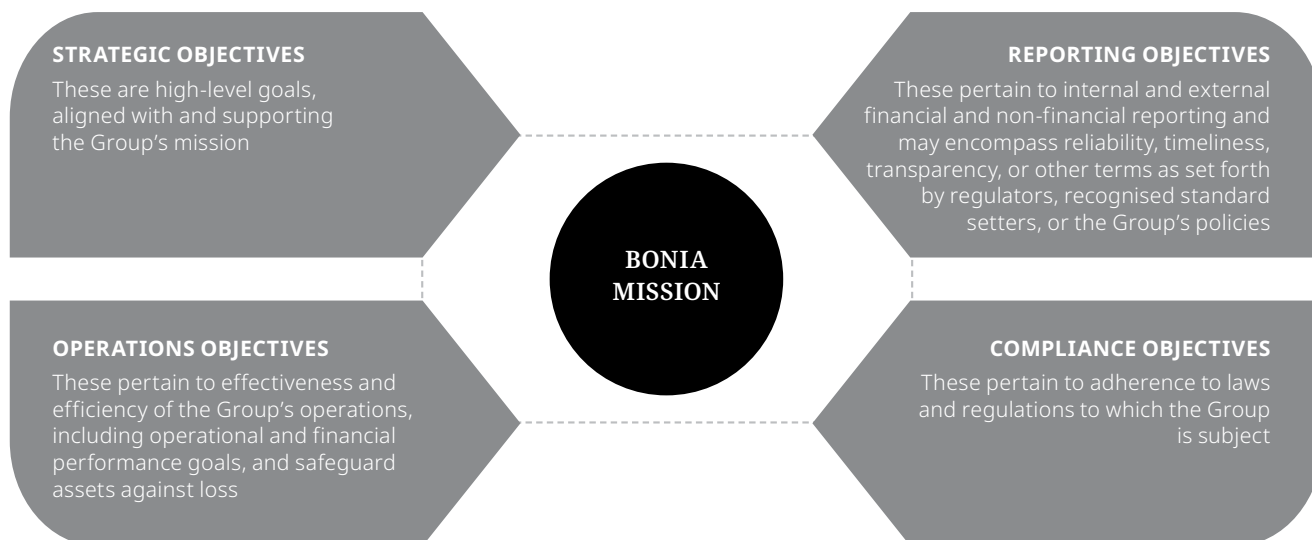
For the FY2024, the Board has received assurance from its Group Executive Directors where, to the best of their knowledge, the Group’s risk management and internal control systems are operating adequately and effectively in all material aspects, based on the Risk Management and Internal Control Framework adopted by the Group.

The Board confirms that there is a continuous process in place to identify, evaluate and manage the significant risks that may affect the achievement of business objectives. The process which has been instituted throughout the Group is updated and reviewed from time to time to suit the changes in the business environment and this ongoing process has been in place for the whole FY2024 and up to the date of issuance of the Company’s Annual Report 2024.

### RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (“RMICF”)

#### Group’s Objectives

The Group’s RMICF is geared to achieving its objectives that support Bonia’s mission set forth in the following 4 categories:



The aforesaid objectives are set by the Board after taking into consideration on the Group’s risk appetite and tolerance level.

## STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

### RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (“RMICF”) (continued)

#### Risk Management and Internal Control

Risk management and internal control shall become the concern of every individual in Bonia Group and the relevant approach shall be consistent with the recommendations made by the:

- Enterprise Risk Management - Integrated Framework; and Internal Control - Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”); and
- Statement on Risk Management & Internal Control - Guidelines for Directors of Listed Issuers,

that involve the identification, assessment and management of risks, as well as the formalisation and implementation of effective and efficient control processes to provide reasonable assurance regarding the achievement of the Group’s objectives in all levels of its activities.

The Directors, management and staff of Bonia Group are guided by the following risk management and control processes in identifying, assessing, responding, controlling, communicating and monitoring of risks on an ongoing basis:



#### Events Identification

All existing and potential events affecting the achievement of the Group’s objectives must be identified, distinguishing between risks and opportunities. Opportunities are channeled back to management’s strategy or objective-setting processes

#### Risks Assessment

Identified risks are analysed to form a basis for determining how they should be managed, and are assessed on an inherent and a residual basis using qualitative techniques followed by more quantitative analysis of the most important risks through risk matrix analysis

Impact	Risk Management Actions		
<i>Significant</i>	Considerable management required	Must manage and monitor risks	Extensive management essential
<i>Moderate</i>	Risks may be worth accepting with monitoring	Management effort worthwhile	Management effort required
<i>Minor</i>	Accept risks	Accept, but monitor risks	Manage and monitor risks
	<i>Low</i>	<i>Medium</i>	<i>High</i>
	<b>Likelihood</b>		

#### Risks Response

The risk management strategy to respond to risks can be: avoiding, accepting, reducing, sharing, transferring, monitoring and/or controlling the risks, and involves developing a set of actions to align risks with the Group’s risk tolerances and risk appetite

#### Control Activities

Control activities through policies and procedures that contribute to the mitigation of risks to the achievement of objectives to acceptable levels, shall be developed and deployed on a timely and appropriate manner

#### Information & Communication

Relevant information shall be communicated in a form and timeframe that enables all people within the Group to carry out their responsibilities. Effective communication also occurs in a broader sense, flowing down, across and up the Group so to ensure personnel receive clear communications regarding their roles and responsibilities in risk management and internal control processes

#### Monitoring

The risk management and internal control processes shall be closely monitored, and modifications be made as necessary. Monitoring is accomplished through ongoing management activities, separate evaluations, or both

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

THE REPORTING AND REVIEW MECHANISM

The Board adopts a two-tier review mechanism to evaluate the adequacy and integrity of the risk management system and internal control processes of the Group. The first aspect of the review is undertaken by the management while the second aspect constitutes the independent review by the ARC with the assistance of the Internal Auditors. Risk profiles and tolerance levels, significant audit findings, audit issues highlighted in the preceding internal audit reports together with the follow up actions are being considered at length by all parties concerned.

The Board solicits feedback on the effectiveness of risk management system and internal control processes from the ARC and seeks continuous improvement in its RMICF to close gaps and/or mitigate deficiencies.



**Management**

Management are tasked to implement the policies and procedures on risk management and internal control sanctioned by the Board. Major day-to-day risk management and internal control issues shall be communicated to the Risk Management Working Committee for evaluations and actions

**Risk Management Working Committee (“RMC”) - Management level**

RMC comprises Executive Directors of Bonia with the other members who should have in-depth knowledge of the operation and/or financial aspects of risk management and internal control being selected from the management to resolve the major day-to-day risk management and internal control issues duly reported by the management. RMC also undertakes the first-tier review on the efficiency and effectiveness of the Group's risk management and internal control processes on a regular basis with issues that require the attention of the Board be communicated to the ARC for further deliberations

**Internal Auditors**

The Internal Auditors is an independent function that reports directly to the Audit & Risk Management Committee, and thereafter to the Board. It performs internal audit on various activities within the Group based on the Internal Audit Plan approved by the ARC by adopting risk-based methodology, recommends the best practices to enhance the quality of the risk management, internal control and governance systems of the Group, and provide reasonable assurance to the ARC on the efficiency and effectiveness of such systems

**Audit & Risk Management Committee (“ARC”)**

The ARC is composed of Independent Directors of Bonia. It conducts second-tier risk management assessments, review internal control processes and evaluate the adequacy and integrity of the risk management, internal control and governance systems of the Group independently on a regular basis, and reports to the Board of Bonia for further evaluations and actions

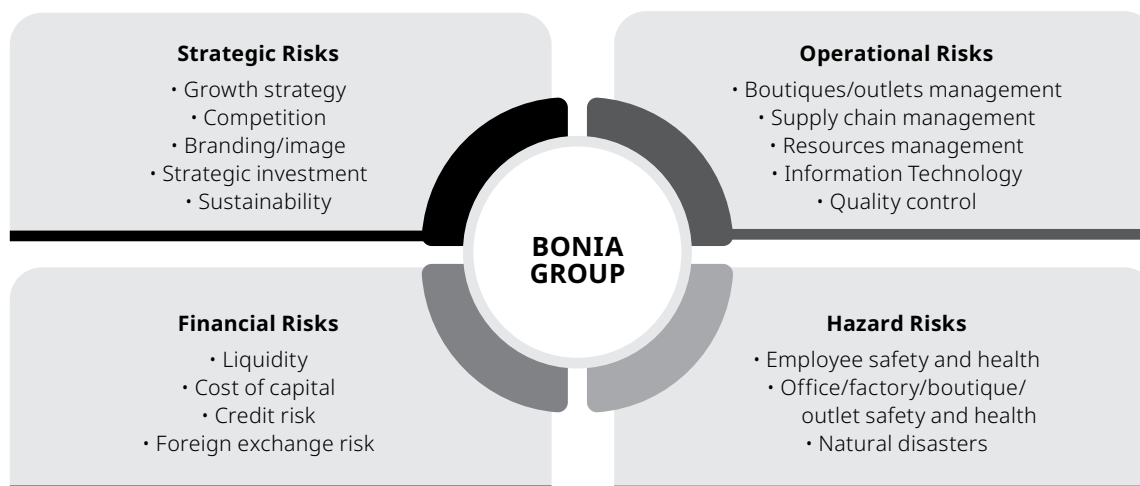
**Board of Directors**

The Board sets business objectives for the Group, establishes risk profiles, determines and adjusts risk appetite and tolerance levels, ensures appropriate policies and procedures are in place to manage those significant risks within the Group, performs regular checks on the health of the Group's risk management, internal control and governance systems, and seeks continuous improvement to close gaps and/or mitigate deficiencies

## STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

### KEY RISKS ASSESSMENT AND INTERNAL CONTROL PROCESSES

The Board undertook a detailed assessment of the risks of Bonia Group. Key risks were identified, analysed, and categorised as follow:



These inherent risks may have an adverse impact on the Group's business operations, financial condition and its growth momentum. The risks above are not exhaustive and new risks emerge from time to time. The Board will constantly review its risk profiles to include those new risks that may be significant to the Group.

The key elements of the Group's risk management system and internal control processes are described below:

- There are proper documentations to define the responsibilities and functions of the Board and each of its committees.
- Internal policies and procedures are in place, which are updated as and when necessary.
- There is an organisation structure with clearly defined lines of responsibility, limits of authority and accountability aligned to business and operations requirements which supports the maintenance of a strong control environment.
- There is a clearly defined delegation of responsibilities to the management of operating units who ensure that appropriate risk management and control procedures are in place. The Group identifies the key risks by line of business and key functional activities.
- There are procedures for investment appraisal covering the acquisition or disposal of any business, application of capital expenditure and approval on borrowing, with post implementation reviews be conducted and reported.
- Actual performances would be reviewed against budgeted results on a quarterly basis, allowing timely response and corrective actions to be taken to mitigate risks.
- Comprehensive management accounts and reports are prepared monthly for effective monitoring and decision-making.
- Regular meetings are held and attended by directors and senior management to discuss and report on operational performance, business strategies, key operating statistics, legal and regulatory matters of each business unit where plans and targets are established for business planning and budgeting process.
- Review of quarterly and annual financial reports by the ARC and the Board.
- Working committees are established (as and when required) as part of the stewardship team to conduct study on various business processes and functions to identify key elements that are vital to achieve the Group's mission and goals.
- Given the strategic plans of the Group, the risk profiles, risk appetite and tolerance level would be adjusted where necessary to add value to the risk management and control system and for mitigative actions.

## STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

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### REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the MMLR, the External Auditors have reviewed this Statement on Risk Management & Internal Control. As set out in their terms of engagement, the procedures were performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and Audit and Assurance Practice Guide 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report ("AAPG3"), issued by Malaysian Institute of Accountants. AAPG3 does not require the External Auditors to consider whether the Statement on Risk Management & Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the risk management system and internal control processes of the Group. AAPG3 also does not require the External Auditors to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report FY2024 would, in fact, remedy the problems. Based on their procedures performed, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement on Risk Management & Internal Control is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is it factually inaccurate.

### CONCLUSION

The Board is of the view that the Group's system of risk management and internal controls is generally satisfactory and has not resulted in any material loss, contingency or uncertainty. The Board and the management will continue to take necessary measures to strengthen the control environment and monitor the health of the risk management and internal controls processes of the Group.

This Statement is made in accordance with a resolution of the Board of Directors of Bonia Corporation Berhad dated 14 October 2024.

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## DIRECTORS' RESPONSIBILITY STATEMENT

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Pursuant to the Companies Act 2016 ("CA2016") and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Directors have prepared the Consolidated Financial Statements of the Group and of the Company for the FY2024 that gave a true and fair view of the financial position of the Group and of the Company as at the end of the financial year as well as their financial performance, and cash flows for the financial year in accordance with the applicable Malaysian Financial Reporting Standards, the International Financial Reporting Standards and the relevant provisions of CA2016.

In preparing the said Consolidated Financial Statements, the Directors have:

- adopted suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and fair;
- ensured that applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis.

The Directors are responsible for ensuring that the Group and the Company keep proper accounting records which disclose with reasonable accuracy at any time the financial position, financial performance, and cash flows of the Group and of the Company and to enable them to ensure that the financial statements are in compliance with CA2016.

The Directors have a general responsibility for taking such steps that are reasonably available to them to maintain a sound risk management framework and internal control system to safeguard the shareholders' investment and the assets of the Group and of the Company and to prevent and detect fraud and other irregularities.

This Statement is made in accordance with a resolution of the Board of Directors of Bonia Corporation Berhad dated 14 October 2024.



## LIST OF PROPERTIES HELD BY THE GROUP AS AT 30 JUNE 2024

Location of Property	Description	Tenure	Existing Use	Age of Building (Year)	Area (Sq Ft)	Carrying Amount RM'000	Date of Acquisition
<b>CB HOLDINGS (MALAYSIA) SDN. BHD.</b>							
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	30	432	50	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)	Vacant	38	1,806	170	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)	Vacant	38	1,134	80	31/12/1994
<b>CASA BOLOGNA SDN. BHD.</b>							
Geran 34325 Lot 510, Seksyen 067, Jalan Bukit Bintang, 55100 Kuala Lumpur	Freehold Land	Freehold	Rented Out	N.A.	17,287	40,000	17/08/2020
H.S.(D) 119062 PT133, Seksyen 067, Jalan Delima 55100 Kuala Lumpur	Freehold Land	Freehold	Vacant	N.A.	5,145	11,320	17/08/2020
<b>LONG BOW MANUFACTURING SDN. BHD.</b>							
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	38	135,100	3,618	07/02/1989
Lot No. PT 683 HS (D) 1499 No. 1483, Jalan Jasin Tmn Bunga Muhibbah 77300 Merlimau, Melaka	Single-Storey Semi-detached House	Freehold	Hostel	31	3,199	100	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	15	13,713	7,580	31/01/2008

**LIST OF PROPERTIES**  
HELD BY THE GROUP AS AT 30 JUNE 2024

Location of Property	Description	Tenure	Existing Use	Age of Building (Year)	Area (Sq Ft)	Carrying Amount RM'000	Date of Acquisition
<b>LUXURY PARADE SDN. BHD. (continued)</b>							
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	26	1,038	180	19/03/1995
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)	18	7,599	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 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
Geran 61154 Lot 39891 Lot G-01 & GR-01, Ground Floor Ikon Connaught Lot 160, Jalan Cerdas Taman Connaught, Cheras 56000 Kuala Lumpur and 99 Units of Parking Bay Strata Geran 61154/M1/2/18	Commercial Units with covered Car Parks	Freehold	Rented Out	10	4,241	4,638	16/11/2020
Geran 61154 Lot 39891 Lot G-03A & GR-03A, Ground Floor Ikon Connaught Lot 160, Jalan Cerdas Taman Connaught, Cheras 56000 Kuala Lumpur and 59 Units of Parking Bay Strata Geran 61154/M1/2/15	Commercial Units with covered Car Parks	Freehold	Rented Out	10	2,874	3,132	16/11/2020
Geran 61154 Lot 39891 Lot G-11 & GR-11, Ground Floor Ikon Connaught Lot 160, Jalan Cerdas Taman Connaught, Cheras 56000 Kuala Lumpur and 100 Units of Parking Bay Strata Geran 61154/M1/2/8	Commercial Units with covered Car Parks	Freehold	Rented Out	10	1,679	2,638	16/11/2020
Geran 61154 Lot 39891 Parcel No. L5-06, L5-11, L5-12, L5-13, L5-16 Ikon Connaught Lot 160, Jalan Cerdas Taman Connaught, Cheras 56000 Kuala Lumpur	5 units Office Suites	Freehold	Office	10	7,271	3,930	02/08/2017 24/03/2022

## LIST OF PROPERTIES

HELD BY THE GROUP AS AT 30 JUNE 2024

Location of Property	Description	Tenure	Existing Use	Age of Building (Year)	Area (Sq Ft)	Carrying Amount RM'000	Date of Acquisition
<b>LUXURY PARADE SDN. BHD. (continued)</b>							
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	10	2,163	1,220	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	10	18,747	8,518	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	10	15,347	7,354	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 and Warehouse	10	65,574	25,514	19/10/2011
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 and Warehouse	10	32,838	12,541	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.	-	2,887	21/11/2014

**LIST OF PROPERTIES**  
HELD BY THE GROUP AS AT 30 JUNE 2024

Location of Property	Description	Tenure	Existing Use	Age of Building (Year)	Area (Sq Ft)	Carrying Amount RM'000	Date of Acquisition
<b>MAHA ASIA CAPITAL SDN. BHD.</b>							
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	24,500	29/10/2013
Geran 27239 Lot 457 Seksyen 67 No.8, Jalan Delima , 55100 Kuala Lumpur	Land with Single-storey Detached House	Freehold	Rented Out	N.A.	15,109	36,984	07/12/2022
<b>PT ACTIVE WORLD</b>							
Unit no. 19-09, Pakuwon Center Tunjungan Plaza (City) Jalan Embong Malang, Surabaya Indonesia	Office Suite	Leasehold (Individual title not yet issued)	Rented Out	7	2,777	2,827	25/09/2012
Unit B-02, Waterplace Residence Pakuwon Indah, Surabaya Indonesia	3 1/2-storey Shop-office	Leasehold (Individual title not yet issued)	Vacant	15	2,260	1,228	24/10/2012
<b>PT BANYAN CEMERLANG</b>							
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, Banten 15125 Indonesia	6-storey Boutique Office and 2-storey basement	Leasehold (Individual title not yet issued)	Rented Out	7	9,935	3,595	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, Banten 15125 Indonesia	6-storey Boutique Office and 2-storey basement	Leasehold (Individual title not yet issued)	Rented Out	7	9,935	3,595	25/08/2015
<b>PT JECO INVESTMENT INDONESIA</b>							
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, Banten 15125 Indonesia	6-storey Boutique Office and 2-storey basement	Leasehold (Individual title not yet issued)	Vacant	7	9,935	2,909	22/03/2016
<b>SBG HOLDINGS SDN. BHD.</b>							
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	26	24,374	11,112	04/12/2018

## ANALYSIS OF SHAREHOLDINGS

### AS AT 01 OCTOBER 2024

Class of shares	: Ordinary shares
Number of issued shares	: 201,571,842 (inclusive of 576,719 treasury shares)
Voting rights	: 1 vote per ordinary share held on a poll 1 vote per shareholder/proxy/corporate representative on a show of hands
Number of shareholders	: 4,068
Remark	: The Analysis of Shareholdings is based on the issued shares of the Company after deducting 576,719 treasury shares

### DISTRIBUTION OF SHAREHOLDINGS

Size of shareholdings	Number of shareholders		Number of ordinary shares held		Percentage (%)	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
Less than 100	690	5	28,403	143	0.01	0.00
100 to 1,000	813	11	426,569	4,828	0.21	0.00
1,001 to 10,000	1,969	19	7,358,657	75,383	3.66	0.04
10,001 to 100,000	448	32	12,246,830	1,354,663	6.09	0.67
100,001 to less than 5% of issued shares	67	12	67,211,645	12,868,115	33.44	6.40
5% and above of issued shares	2	0	99,419,887	0	49.46	0.00
Total	3,989	79	186,691,991	14,303,132	92.88	7.12
Grand Total		4,068		200,995,123		100.00

Note(s):

The above information is based on the Record of Depositors as at 01 October 2024 provided by Bursa Malaysia Depository Sdn. Bhd. and the number of holders reflected is in reference to CDS account numbers

### REGISTER OF SUBSTANTIAL SHAREHOLDERS

Name	Direct Interest		Indirect/Deemed Interest	
	Units	Percentage (%)	Units	Percentage (%)
Bonia Holdings Sdn. Bhd.	54,776,484	27.25	-	-
Freeway Team Sdn. Bhd.	44,643,403	22.21	-	-
Chiang Sang Sem	21,990,040	10.94	112,161,983 <sup>(1)</sup>	55.80

Note(s):

<sup>(1)</sup> Deemed interest by virtue of his interests in Bonia Holdings Sdn. Bhd., Freeway Team Sdn. Bhd., Kontrak Kosmomaz Sdn. Bhd., and Able Wealth Assets Ltd pursuant to Section 8 of the Companies Act 2016

**ANALYSIS OF SHAREHOLDINGS**  
AS AT 01 OCTOBER 2024

**DIRECTORS' SHAREHOLDINGS IN BONIA CORPORATION BERHAD**

Name	Direct Interest		Indirect/Deemed Interest	
	Units	Percentage (%)	Units	Percentage (%)
Datuk Ng Peng Hong @ Ng Peng Hay	-	-	-	-
Dato' Sri Chiang Fong Seng	6,148,014	3.06	-	-
Chiang Sang Sem	21,990,040	10.94	124,806,297 <sup>(1) &amp; (3)</sup>	62.09
Dato' Sri Chiang Fong Tat	1,142,238	0.57	27,000 <sup>(2)</sup>	0.01
Chiang May Ling	264,000	0.13	-	-
Datuk Chiang Heng Kieng	-	-	47,520 <sup>(2)</sup>	0.02
Law Wei Liang	-	-	-	-
Azian Binti Mohd Yusof	-	-	-	-
Raja Hamzah Abidin Bin Raja Nong Chik	-	-	-	-
Chiang Fong Xiang (Alternate Director)	-	-	-	-

Note(s):

<sup>(1)</sup> Deemed interest by virtue of his interests in Bonia Holdings Sdn. Bhd., Freeway Team Sdn. Bhd., Kontrak Kosmomaz Sdn. Bhd., and Able Wealth Assets Ltd pursuant to Section 8 of the Companies Act 2016; AND indirect interest by virtue of his spouse and children's direct interests pursuant to Section 59(11)(c) of the Companies Act 2016

<sup>(2)</sup> Indirect interest by virtue of his spouse's interest pursuant to Section 59(11)(c) of the Companies Act 2016

<sup>(3)</sup> By virtue of his 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' SHAREHOLDINGS IN JECO (PTE) LIMITED**  
**(70%-owned direct subsidiary of Bonia Corporation Berhad)**

Name	Direct Interest		Indirect/Deemed Interest	
	Units	Percentage (%)	Units	Percentage (%)
Chiang Sang Sem	-	-	50,000 <sup>(1)</sup>	10.00
Chiang Fong Xiang (Alternate Director)	-	-	50,000 <sup>(2)</sup>	10.00

Note(s):

<sup>(1)</sup> Indirect interest by virtue of his spouse and a child's interests in BBS (S) International Pte. Ltd., a corporate shareholder holding 10% of the total number of issued shares of Jeco (Pte) Limited

<sup>(2)</sup> Deemed interest by virtue of his interest in BBS (S) International Pte. Ltd., a corporate shareholder holding 10% of the total number of issued shares of Jeco (Pte) Limited

**DIRECTORS' SHAREHOLDINGS IN VR DIRECTIONS SDN. BHD.**  
**(75%-owned indirect subsidiary of Bonia Corporation Berhad)**

Name	Direct Interest		Indirect/Deemed Interest	
	Units	Percentage (%)	Units	Percentage (%)
Chiang Sang Sem	-	-	250,000 <sup>(1)</sup>	25.00
Chiang May Ling	250,000	25.00	-	-

Note(s):

<sup>(1)</sup> Indirect interest by virtue of his child's direct interest in VR Directions Sdn. Bhd. pursuant to Section 59(11)(c) of the Companies Act 2016



## ANALYSIS OF SHAREHOLDINGS

AS AT 01 OCTOBER 2024

### DIRECTORS' SHAREHOLDINGS IN SBG HOLDINGS SDN. BHD. (70%-owned direct subsidiary of Bonia Corporation Berhad)

Name	Direct Interest		Indirect/Deemed Interest	
	Units	Percentage (%)	Units	Percentage (%)
Chiang Sang Sem	-	-	16,538,130 <sup>(1)</sup>	30.00
Dato' Sri Chiang Fong Tat	-	-	16,538,130 <sup>(2)</sup>	30.00

Note(s):

<sup>(1)</sup> Indirect interest by virtue of his child's interest in SBG Holdings Sdn. Bhd., pursuant to Section 59(11)(c) of the Companies Act 2016

<sup>(2)</sup> Deemed interest by virtue of his interest in Remarkable Success Sdn. Bhd., a corporate shareholder holding 30% of the total number of issued shares of SBG Holdings Sdn. Bhd., pursuant to Section 8 of the Companies Act 2016

### 30 LARGEST SHAREHOLDERS

No.	Name of Shareholders	Units	Percentage (%)
1.	Bonia Holdings Sdn. Bhd.	54,776,484	27.25
2.	Freeway Team Sdn. Bhd.	44,643,403	22.21
3.	Chiang Sang Sem	9,579,924	4.77
4.	UOBM Nominees (Tempatan) Sdn. Bhd. Beneficiary: United Overseas Bank Nominees (Pte) Ltd for Chiang Sang Sem	7,425,216	3.69
5.	Kontrak Kosmomaz Sdn. Bhd.	6,522,808	3.25
6.	UOBM Nominees (Asing) Sdn. Bhd. Beneficiary: United Overseas Bank Nominees (Pte) Ltd for Able Wealth Assets Ltd	6,219,288	3.09
7.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Beneficiary: Deutsche Trustees Malaysia Berhad for Eastspring Investments Small-Cap Fund	4,403,300	2.19
8.	Cimsec Nominees (Tempatan) Sdn. Bhd. Beneficiary: CIMB for Chiang Fong Seng	4,129,506	2.05
9.	Chong See Moi	4,090,062	2.03
10.	DB (Malaysia) Nominee (Asing) Sdn. Bhd. Beneficiary: Exempt an for Deutsche Bank AG Singapore	3,780,000	1.88
11.	CIMB Group Nominees (Tempatan) Sdn. Bhd. Beneficiary: CIMB Commerce Trustee Berhad - Kenanga Growth Fund	2,851,900	1.42
12.	Citigroup Nominees (Tempatan) Sdn. Bhd. Beneficiary: Employees Provident Fund Board	2,339,000	1.16
13.	Maybank Nominees (Tempatan) Sdn. Bhd. Beneficiary: Maybank Private Wealth Management for Chiang Fong Seng	2,018,508	1.00
14.	Chiang Heng Pang	1,485,432	0.74
15.	Amanahraya Trustees Berhad Beneficiary: PB Smallcap Growth Fund	1,245,000	0.62
16.	Milan Quest Sdn. Bhd.	1,233,000	0.61
17.	IFast Nominees (Tempatan) Sdn. Bhd. Beneficiary: Global Success Network Sdn. Bhd.	1,110,000	0.55
18.	Chiang Boon Tian	1,101,060	0.55
19.	Avon More Alps Sdn. Bhd.	1,100,000	0.55

## ANALYSIS OF SHAREHOLDINGS

AS AT 01 OCTOBER 2024

### 30 LARGEST SHAREHOLDERS (continued)

No.	Name of Shareholders	Units	Percentage (%)
20.	Citigroup Nominees (Tempatan) Sdn. Bhd. Beneficiary: Employees Provident Fund Board	1,100,000	0.55
21.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Beneficiary: Pledged Securities Account for Wong Yee Hui	1,080,000	0.54
22.	Chiang Sang Sem	1,069,900	0.53
23.	Amsec Nominees (Tempatan) Sdn. Bhd. Beneficiary: Ambank (M) Berhad for Lim Choo Hong	1,000,000	0.50
24.	Yong Siew Moi	1,000,000	0.50
25.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Beneficiary: Pledged Securities Account for Ting Siew Pin	640,500	0.32
26.	Chiang Fong Tat	632,738	0.31
27.	Chen, Delin	614,600	0.31
28.	Chiang Fong Tat	509,500	0.25
29.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Beneficiary: Deutsche Trustees Malaysia Berhad for Hong Leong Consumer Products Sector Fund	430,000	0.21
30.	Chong Cheong Leong	420,000	0.21
<b>Total</b>		<b>168,551,129</b>	<b>83.86</b>

*Note(s):*

*The above information is based on the Record of Depositors as at 01 October 2024 provided by Bursa Malaysia Depository Sdn. Bhd. and without aggregating securities from different securities accounts belonging to the same person*

## NOTICE OF THIRTY-THIRD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirty-Third Annual General Meeting of Bonia Corporation Berhad will be held on Thursday, 28 November 2024 at 10.00 am as a fully virtual meeting via the online platform at [www.vpoll.com.my](http://www.vpoll.com.my) (Domain Registration No. with MyNIC Berhad: D1A457149) provided by AI Smartual Learning Sdn. Bhd. in Malaysia, for the following purposes:

### AGENDA

#### ORDINARY BUSINESS

- |    |  |   |
|----|--|---|
| 1. | To lay the Audited Financial Statements for the financial year ended 30 June 2024 together with the reports of the Directors and Auditors thereon.   | <i>Please refer to Explanatory Note 2</i> |
| 2. | To re-elect the following Directors who retire pursuant to the Constitution of the Company and being eligible, have offered themselves for re-election:  |   |
|    | 2.1 Dato' Sri Chiang Fong Tat - Clause 86.1  | <i>Ordinary Resolution 1</i>              |
|    | 2.2 Chiang Sang Sem - Clause 86.1  | <i>Ordinary Resolution 2</i>              |
|    | 2.3 Dato' Sri Chiang Fong Seng - Clause 86.1   | <i>Ordinary Resolution 3</i>              |
|    | 2.4 Raja Hamzah Abidin Bin Raja Nong Chik - Clause 85.3  | <i>Ordinary Resolution 4</i>              |
| 3. | To re-appoint Messrs BDO PLT as Auditors of the Company for the financial year ending 30 June 2025 and to authorise the Board of Directors to fix their remuneration.  | <i>Ordinary Resolution 5</i>              |
| 4. | To approve the Directors' fees of Bonia Corporation Berhad and its subsidiaries not exceeding RM1,800,000 for the financial year ending 30 June 2025 to be divided amongst the Directors in such manner as they may determine, with payment of the fees to be made semiannually in arrears at the end of each half-year. | <i>Ordinary Resolution 6</i>              |
| 5. | To approve the Directors' benefits of Bonia Corporation Berhad up to an amount of RM110,000 for the period from 29 November 2024 until the next Annual General Meeting.  | <i>Ordinary Resolution 7</i>              |

#### SPECIAL BUSINESS

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

#### 6. **Approval for Allotment of shares or Grant of rights**

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016, Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and the approval(s) of the relevant regulatory authorities, where such approval(s) is required, the Directors of the Company be and are hereby empowered to allot and issue shares in the Company, grant rights to subscribe for shares in the Company, convert any security into shares in the Company, or allot and issue shares in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force, and to make or grant offers, agreements or options which would or might require shares to be allotted and issued, after the expiration of the approval hereof, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such additional shares to be allotted and issued pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being.

THAT the Directors be and are hereby 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.

AND THAT the Directors be and are hereby authorised to do all such acts and things (including executing such documents as may be required) in the said connection and to delegate all or any of the powers herein vested in them to any Director(s) or any officer(s) of the Company to give effect to the transactions contemplated and/or authorised by this resolution."

*Ordinary Resolution 8*

## NOTICE OF THIRTY-THIRD ANNUAL GENERAL MEETING

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7. **Proposed renewal of shareholders' mandate to enable Bonia Corporation Berhad to purchase up to 10% of its total number of issued shares ("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 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 and in the interests of the Company provided that the aggregate number of shares purchased (which are to be treated as treasury shares) does not exceed 10% of the total number of issued shares of the Company; and the funds allocated for the purchase of shares shall not exceed its retained profits for the time being.

THAT the Directors be and are hereby further authorised to deal with the treasury shares in their absolute discretion pursuant to Section 127(7) of the Companies Act 2016.

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 be and are hereby authorised to do all such acts and things (including executing such documents as may be required) in the said connection and to delegate all or any of the powers herein vested in them to any Director(s) or any officer(s) of the Company to give effect to the aforesaid share buy-back in the best interest of the Company."

*Ordinary Resolution 9*

8. To transact any other business of which due notice shall have been given.

By Order of the Board  
DATO' SRI CHIANG FONG SENG  
Executive Vice Chairman/Group Chief Executive Officer

30 October 2024  
Kuala Lumpur

**Notes:**

1. Only a depositor whose name appears on the Record of Depositors as at 14 November 2024 shall be entitled to attend, participate, speak and vote at this Meeting as well as for appointment of any person as his proxy(ies) to exercise all or any of his rights to attend, participate, speak and vote at the Meeting on his stead.
2. Where a member appoints more than 1 proxy, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy. However, a member shall not, subject to Paragraphs (3) and (4) below, be entitled to appoint more than 2 proxies to attend and vote at the Meeting.
3. 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 1 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.
4. 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.
5. Where a member entitled to vote on a resolution has appointed more than 1 proxy, the proxies shall only be entitled to vote on any question at the Meeting on poll provided that the member specifies the proportion of his holdings to be represented by each proxy.

## NOTICE OF THIRTY-THIRD ANNUAL GENERAL MEETING

6. Where a member is a corporation, it may also by resolution of its directors or other governing body authorising a person or persons to act as its representative or representatives to exercise all or any of its rights to attend, participate, speak and vote at the Meeting on its stead.
7. 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 the corporation's common seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy shall be deemed to confer authority on the appointed proxy to demand or join in demanding a poll.

The instrument appointing a proxy or Proxy Form and the power of attorney or other authority, if any, under which it is signed or a copy of that power or authority, certified by an advocate and solicitor or where the member is a body corporate, the copy of the power or authority may also be certified by an authorised officer of that member, shall be deposited at *the office of the Poll Administrator, AI Smartual Learning Sdn. Bhd. at 23-5, Menara Bangkok Bank, Berjaya Central Park, Jalan Ampang, 50450 Kuala Lumpur, Malaysia, alternatively to be submitted electronically through proxy@aismartuallearning.com*, not less than 48 hours before the time appointed for holding the Meeting or adjourned Meeting at which the person named in the instrument proposes to vote or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll as may be provided or permitted under the applicable laws, and in default the instrument of proxy or Proxy Form shall not be treated as valid. *Faxed and photocopied copies of the duly executed Proxy Form are not acceptable.*

### Explanatory Notes:

1. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements, 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 the provision of Section 340 of the Companies Act 2016 does not require a formal approval of shareholders for the Audited Financial Statements. Henceforth, this item is not put forward for voting.
3. *Item 2 of the Agenda* - The resolutions, if approved, will authorise the continuity in office of the Directors. An annual assessment on the performance and effectiveness of the Directors (including the independence of Independent Non-Executive Directors) for the financial year ended 30 June 2023 has been undertaken, and the result was satisfactory to the Board.
4. *Item 3 of the Agenda* - BDO PLT [201906000013 (LLP0018825-LCA & AF0206)], being the Auditors of the Company for the financial year ended 30 June 2024, have expressed their willingness to continue in office.
5. *Items 4 and 5 of the Agenda* - Pursuant to Section 230(1) of the Companies Act 2016, the fees of the directors, and any benefits payable to the directors including compensation for loss of employment of a director or former director of a listed company and its subsidiaries, shall be approved at a general meeting.

The resolutions, if approved, will authorise:

- (i) the payment of the Directors' fees to the Directors of Bonia Corporation Berhad by the Company and several of its local and foreign subsidiaries; and
  - (ii) the payment of the Directors' benefits to the Non-Executive Directors of Bonia Corporation Berhad by the Company for the period from 29 November 2024 until the next AGM in year 2025 that are derived from:
    - (a) the fixed allowance for membership of the Audit & Risk Management Committee and the Nomination & Remuneration Committee of RM20,000 per person per financial year; and
    - (b) the estimated meeting allowance based on the number of scheduled and unscheduled meetings (where necessary) of the Board and Board committees of RM500 per day of meeting.
6. *Item 6 of the Agenda* - The resolution, if approved, will renew the existing general mandate given to the Directors of the Company at the preceding annual general meeting held on 30 November 2023 to allot and issue ordinary shares of the Company from time to time, and expand the mandate to grant rights to subscribe for shares in the Company, convert any security into shares in the Company, or allot shares under an agreement or option or offer, provided that the aggregate number of shares allotted and issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares, if any) of the Company for the time being ("Renewed General Mandate"). In computing the aforesaid 10% limit, shares issued or agreed to be issued or subscribed pursuant to the approval of shareholders in a general meeting where precise terms and conditions are approved shall not be counted. The Renewed General Mandate, unless revoked or varied by a resolution of the Company, will expire at the conclusion of the annual general meeting held next after the approval was given; or at the expiry of the period within which the next annual general meeting is required by law to be held after the approval was given, whichever is the earlier.

## NOTICE OF THIRTY-THIRD ANNUAL GENERAL MEETING

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The Renewed General Mandate is to enable the Directors to take swift action in case of, inter alia, a need for corporate exercises or in the event business opportunities or other circumstances arise which involve the issuance and allotment of new shares, grant of rights to subscribe for shares, conversion of any security into shares, or allotment of shares under an agreement or option or offer, and to avoid delay and cost in convening general meetings to approve the same.

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.

7. *Item 7 of the Agenda* - The details of the proposal are set out in the Circular to Shareholders dated 30 October 2024 and is published at the Company's website.

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### **STATEMENT ACCOMPANYING NOTICE OF THIRTY-THIRD ANNUAL GENERAL MEETING ("33rd AGM")**

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

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#### **DETAILS OF INDIVIDUALS WHO ARE STANDING FOR ELECTION AS DIRECTORS**

No individual is seeking election as a Director at the forthcoming 33rd 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 6 of the Explanatory Notes of the Notice of 33rd AGM dated 30 October 2024.





# BONIA CORPORATION BERHAD

Registration No. 199101013622 (223934-T)

## PROXY FORM

I/We \_\_\_\_\_

NRIC/Passport/Company No. \_\_\_\_\_ Tel No. \_\_\_\_\_

CDS Account No. \_\_\_\_\_ Number of shares held: \_\_\_\_\_

Address: \_\_\_\_\_

being a member of BONIA CORPORATION BERHAD [Registration No. 199101013622 (223934-T)] hereby appoint:

1. Name of Proxy \_\_\_\_\_ NRIC/Passport No. \_\_\_\_\_

Email Address \_\_\_\_\_

Tel No. \_\_\_\_\_ Number of shares represented \_\_\_\_\_

2. Name of Proxy \_\_\_\_\_ NRIC/Passport No. \_\_\_\_\_

Email Address \_\_\_\_\_

Tel No. \_\_\_\_\_ 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 Thirty-Third Annual General Meeting of the Company to be held on Thursday, 28 November 2024 at 10.00 am as a fully virtual meeting via the online platform at [www.vpoll.com.my](http://www.vpoll.com.my) (Domain Registration No. with MyNIC Berhad: D1A457149) provided by AI Smartual Learning Sdn. Bhd. in Malaysia or at any adjournment thereof, in the manner as indicated below:

No.	Resolutions		For	Against
1.	Ordinary Resolution 1	Re-election of Dato' Sri Chiang Fong Tat as Director		
2.	Ordinary Resolution 2	Re-election of Chiang Sang Sem as Director		
3.	Ordinary Resolution 3	Re-election of Dato' Sri Chiang Fong Seng as Director		
4.	Ordinary Resolution 4	Re-election of Raja Hamzah Abidin Bin Raja Nong Chik as Director		
5.	Ordinary Resolution 5	Re-appointment of Messrs BDO PLT as Auditors and to authorise the Directors to fix their remuneration		
6.	Ordinary Resolution 6	Approval for Directors' Fees for financial year ending 30 June 2025		
7.	Ordinary Resolution 7	Approval for Directors' Benefits		
8.	Ordinary Resolution 8	Approval for Allotment of shares or Grant of rights		
9.	Ordinary Resolution 9	Proposed Share Buy-Back		

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

Signature/Seal of the Shareholder(s): \_\_\_\_\_ Date: \_\_\_\_\_

### Notes:

- Only a depositor whose name appears on the Record of Depositors as at 14 November 2024 shall be entitled to attend, participate, speak and vote at this Meeting as well as for appointment of any person as his proxy(ies) to exercise all or any of his rights to attend, participate, speak and vote at the Meeting on his stead.
- Where a member appoints more than 1 proxy, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy. However, a member shall not, subject to Paragraphs (3) and (4) below, be entitled to appoint more than 2 proxies to attend and vote at the Meeting.
- 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 1 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.
- 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.
- Where a member entitled to vote on a resolution has appointed more than 1 proxy, the proxies shall only be entitled to vote on any question at the Meeting on poll provided that the member specifies the proportion of his holdings to be represented by each proxy.
- Where a member is a corporation, it may also by resolution of its directors or other governing body authorising a person or persons to act as its representative or representatives to exercise all or any of its rights to attend, participate, speak and vote at the Meeting on its stead.
- 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 the corporation's common seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy shall be deemed to confer authority on the appointed proxy to demand or join in demanding a poll.

The instrument appointing a proxy or Proxy Form and the power of attorney or other authority, if any, under which it is signed or a copy of that power or authority, certified by an advocate and solicitor or where the member is a body corporate, the copy of the power or authority may also be certified by an authorised officer of that member, shall be deposited at the office of the Poll Administrator, AI Smartual Learning Sdn. Bhd. at 23-5, Menara Bangkok Bank, Berjaya Central Park, Jalan Ampang, 50450 Kuala Lumpur, Malaysia, alternatively to be submitted electronically through [proxy@aismartuallearning.com](mailto:proxy@aismartuallearning.com), not less than 48 hours before the time appointed for holding the Meeting or adjourned Meeting at which the person named in the instrument proposes to vote or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll as may be provided or permitted under the applicable laws, and in default the instrument of proxy or Proxy Form shall not be treated as valid. *Faxed and photocopied copies of the duly executed Proxy Form are not acceptable.*



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Affix  
stamp

To: **AI Smartual Learning Sdn. Bhd.**

23-5, Menara Bangkok Bank, Berjaya Central Park,  
Jalan Ampang, 50450 Kuala Lumpur, Malaysia

(The Poll Administrator for the 33rd AGM of Bonia Corporation Berhad)

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## ADMINISTRATIVE GUIDE FOR THIRTY-THIRD ANNUAL GENERAL MEETING

Date and time of the 33rd AGM (“AGM”)	: Thursday, 28 November 2024 at 10.00 am
Fully virtual online meeting platform	: <a href="http://www.vpoll.com.my">www.vpoll.com.my</a> (Domain Registration No. with MyNIC Berhad: D1A457149) provided by AI Smartual Learning Sdn. Bhd. in Malaysia

### 1.0 ENTITLEMENT TO PARTICIPATE AND VOTE

- 1.1 Only depositors whose names appear in the Record of Depositors as at 14 November 2024 shall be entitled to participate and/or vote remotely at the AGM or appoint a proxy/proxies to participate and/or vote on his stead.
- 1.2 Eligible members are required to pre-register for the RPV at [www.vpoll.com.my](http://www.vpoll.com.my) to ascertain their eligibility to participate and/or vote at the AGM remotely.

### 2.0 REMOTE PARTICIPATION AND ELECTRONIC VOTING FACILITIES (“RPV”)

#### 2.1 Details of the RPV

- i. The RPV is available to: individual members; proxy holders; corporate representatives; authorised nominees; and exempt authorised nominees (individually, “participant”, and collectively, “participants”)
- ii. Eligible participants are entitled to participate and/or vote remotely at the AGM using the RPV provided by AI Smartual Learning Sdn. Bhd. at [www.vpoll.com.my](http://www.vpoll.com.my) from various devices such as smart phone, tablet, laptop or computer.
- iii. The quality of the participant’s connection to the live broadcast is dependent on the bandwidth and stability of the internet of his location and the device he uses.
- iv. In the event the participant encounters any issues with pre-meeting registration, submission of questions, log-in, connection to the live streamed meeting or online voting on the meeting day, kindly contact the Poll Administrator (details of the Poll Administrator is stated in Item 4.0 of this administrative guide) for assistance.

#### 2.2 Appointment of Proxy(ies)

- i. Members may appoint proxy(ies) to participate and/or vote at the AGM via RPV, or to appoint the Chairperson of the Meeting as his proxy by indicating the voting instructions in the Proxy Form [otherwise the proxy(ies) will vote at his discretion] in accordance with the notes and instructions printed therein.
- ii. Please ensure that the duly completed and executed Proxy Form is deposited at *the office of the Poll Administrator, AI Smartual Learning Sdn. Bhd. at 23-5, Menara Bangkok Bank, Berjaya Central Park, Jalan Ampang, 50450 Kuala Lumpur, Malaysia* not less than 48 hours before the time appointed for holding the AGM ie. latest by Tuesday, 26 November 2024 at 10.00 am. Alternatively, the duly completed and executed Proxy Form can also be submitted electronically, through [proxy@aismartuallearning.com](mailto:proxy@aismartuallearning.com).
- iii. Appointed proxies are required to pre-register for the RPV at [www.vpoll.com.my](http://www.vpoll.com.my) to ascertain their eligibility to participate and/or vote at the AGM remotely.

#### 2.3 Appointment of Corporate/Authorised Representative(s)

- i. Members who are body corporates may appoint their corporate/authorised representative(s) to participate and/or vote at the AGM.
- ii. Appointed corporate/authorised representative(s) shall: (i) provide a copy of his identity card, email address and mobile phone number, and (ii) deposit together with the original evidence of his authority (eg. Certificate of Appointment of Corporate Representative, Power of Attorney, letter of authority or other documents proving authority in English or Bahasa Malaysia) to the Poll Administrator at the office of the Poll Administrator, *AI Smartual Learning Sdn. Bhd. at 23-5, Menara Bangkok Bank, Berjaya Central Park, Jalan Ampang, 50450 Kuala Lumpur, Malaysia* not later than Tuesday, 26 November 2024 at 10.00 am, for verification.
- iii. Appointed corporate/authorised representative(s) are required to pre-register for the RPV at [www.vpoll.com.my](http://www.vpoll.com.my) to ascertain their eligibility to participate and/or vote at the AGM remotely.

## ADMINISTRATIVE GUIDE FOR THIRTY-THIRD ANNUAL GENERAL MEETING

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### 2.0 REMOTE PARTICIPATION AND ELECTRONIC VOTING FACILITIES (“RPV”) (continued)

#### 2.4 Submission of Questions

- i. Pre-meeting submission of questions - Members are welcome to submit questions to the Board and/or the Auditors of the Company in advance prior to the AGM not later than Tuesday, 26 November 2024 at 10.00 am electronically, through *proxy@aismartuallearning.com*.
- ii. Submission of questions during the AGM - Participants may pose questions to the Board and/or the Auditors of the Company via real time submission of typed texts throughout the AGM.
- iii. The Board will endeavour to answer the questions received at the AGM.

#### 2.5 Voting Procedures

- i. Members/proxies/corporate representatives can proceed to vote on the resolutions via the RPV at *www.vpoll.com.my* at any time from the commencement of the AGM on 28 November 2024 at 10.00 am but before the end of the voting session which will be announced by the Chairperson of the meeting.
- ii. Upon completion of the voting session, the appointed independent scrutineers will verify the poll results followed by the Chairperson's declaration whether the resolutions put to vote were successfully carried or otherwise.

#### 2.6 Procedures for RPV

Members/proxies/corporate representatives who wish to participate and/or vote at the AGM remotely via RPV are to follow the requirements and procedures as summarised in “Annex A” as annexed hereto.

### 3.0 OTHERS

- 3.1 NO gifts/meal vouchers - There will be no distribution of gifts or meal vouchers for members/proxies/corporate representatives who participate in the AGM.
- 3.2 NO recording or photography - Unauthorised recording and/or photography are strictly prohibited at the AGM.

### 4.0 ENQUIRY AND RPV ASSISTANCE

- 4.1 If you have any enquiries on the above, please contact the Poll Administrator during office hours from 9.00 am to 5.00 pm (Monday to Friday, excluding public holidays and days on which the office is closed due to regulations imposed by the Malaysian government, if any):

Poll Administrator : AI Smartual Learning Sdn. Bhd.  
23-5, Menara Bangkok Bank, Berjaya Central Park, Jalan Ampang  
50450 Kuala Lumpur, Malaysia


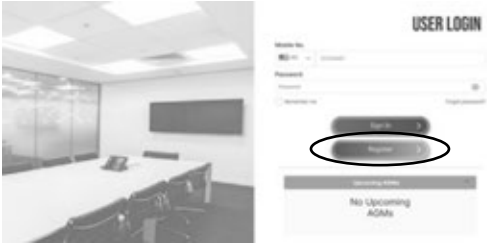

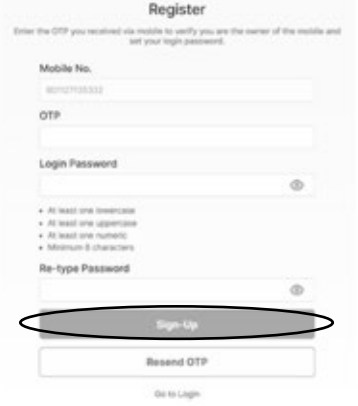
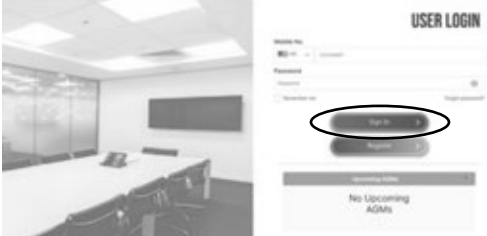
Contact person 1 : David Cheng  
Telephone No. : +6017 770 0887  
Email : *davidcheng@aismartuallearning.com*

OR

Contact person 2 : Joan Kang  
Telephone No. : +6016 789 4806  
Email : *joankang@aismartuallearning.com*


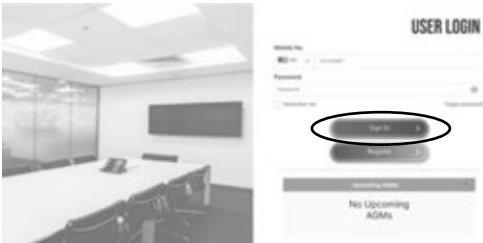



# ADMINISTRATIVE GUIDE FOR THIRTY-THIRD ANNUAL GENERAL MEETING

## ANNEX A : PROCEDURES FOR RPV

Procedure	Action
<p><b>1. Register as a user with <a href="http://www.vpoll.com.my">www.vpoll.com.my</a></b></p>  <p>Landing Page</p>	<p><b>Step</b></p> <ul style="list-style-type: none"> <li>• Please access the URL <a href="http://www.vpoll.com.my">www.vpoll.com.my</a> to reach the landing page</li> <li>• Click on "User Login/Register button" to register yourself as a user</li> </ul>
 <p>User Login/Register</p>	<ul style="list-style-type: none"> <li>• Please click on "Register"</li> </ul>
 <p>Mobile Phone Register</p>	<ul style="list-style-type: none"> <li>• Please enter your mobile phone number, click on "Got OTP", and wait for a one-time password (OTP) to be sent to your mobile phone</li> </ul>
 <p>OTP and Password fill up form</p>	<ul style="list-style-type: none"> <li>• Please insert the OTP, create a login password, and click on "Sign-up"</li> </ul>
 <p>Login Page</p>	<ul style="list-style-type: none"> <li>• Please re-access the URL <a href="http://www.vpoll.com.my">www.vpoll.com.my</a> to reach the login page, enter all the login details and click on "Sign In"</li> </ul>

## ADMINISTRATIVE GUIDE FOR THIRTY-THIRD ANNUAL GENERAL MEETING


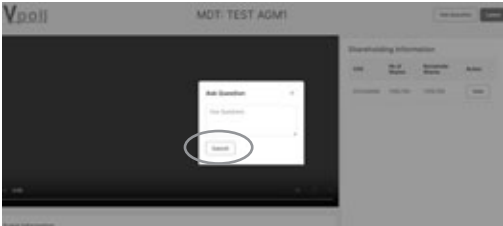


### ANNEX A : PROCEDURES FOR RPV (continued)

Procedure	Action
<p><b>1. Register as a user with <a href="http://www.vpoll.com.my">www.vpoll.com.my</a> (continued)</b></p>  <p>Account verification form</p>	<p><b>Step</b></p> <ul style="list-style-type: none"> <li>• Please fill up all the required fields, upload a copy of your NRIC (for Malaysian) / Passport (for Foreigner) and click on “Submit for Verification”</li> <li>• The poll administrator will perform the verification, and approve/ reject your application within 12 hours after your submission</li> <li>• Thereafter, an email will be sent to the user on the approval/ rejection</li> <li>• If you received a rejection email, please call the Poll Administrator to resolve the issue</li> <li>• If you received an approval email, you may login to the Vpoll anytime therefrom</li> </ul>
<p><b>2. Login to the RPV at <a href="http://www.vpoll.com.my">www.vpoll.com.my</a> on the AGM Day</b></p> <p>BEFORE</p> 	<p><b>Step</b></p> <ul style="list-style-type: none"> <li>• On the AGM Day, please access the URL <a href="http://www.vpoll.com.my">www.vpoll.com.my</a></li> <li>• The Vpoll will open for access on the AGM Day from 28 November 2024 at 9.00 am until the conclusion of the AGM</li> </ul>
<p>AFTER</p> 	<ul style="list-style-type: none"> <li>• Click on “Events”, select Bonia AGM, click on “Join” to participate the AGM of Bonia Corporation Berhad</li> </ul>
	<ul style="list-style-type: none"> <li>• Your screen will divert you to the event page of the AGM as shown</li> <li>• To watch livestream, click on “▶” on the livestream widget</li> </ul>
<p>DURING THE LIVE STREAMING</p> 	<ul style="list-style-type: none"> <li>• Continue watching</li> </ul>






## ADMINISTRATIVE GUIDE FOR THIRTY-THIRD ANNUAL GENERAL MEETING

### ANNEX A : PROCEDURES FOR RPV (continued)

Procedure	Action
<p><b>3. Submission of questions via RPV</b></p> <p>BEFORE</p> 	<p><b>Step</b></p> <ul style="list-style-type: none"> <li>If you wish to raise a question, please click on “Ask Question”</li> </ul>
<p>AFTER</p> 	<ul style="list-style-type: none"> <li>Type your question(s) in the Q&amp;A pop-up screen and click on “Submit” to send in the question</li> <li>There is no limitation on the number of questions that you may raise</li> </ul>
<p><b>4. Casting of votes via RPV</b></p> 	<p><b>Step</b></p> <ul style="list-style-type: none"> <li>To cast your votes, click on “Vote”</li> </ul>
	<ul style="list-style-type: none"> <li>You will be shown the voting page</li> <li>Please vote accordingly</li> <li>Upon ready to submit your votes, click on “Vote” to complete your voting</li> </ul>

## ADMINISTRATIVE GUIDE FOR THIRTY-THIRD ANNUAL GENERAL MEETING

### ANNEX A : PROCEDURES FOR RPV (continued)

Procedure	Action
<b>4. Casting of votes via RPV (continued)</b>	<b>Step</b>
	<ul style="list-style-type: none"> <li>To view the voting results, click on "View Result"</li> </ul>
	<ul style="list-style-type: none"> <li>The voting results will be presented as shown</li> </ul>
<b>5. Conclusion of AGM</b>	<b>Step</b>
	<ul style="list-style-type: none"> <li>Click on "Sign Out"</li> </ul> <p><b>Thank you for your participation</b></p>

# FINANCIAL STATEMENTS

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## 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 2024.

### PRINCIPAL ACTIVITIES

The Company is principally an investment holding and management company. The principal activities of the subsidiaries and associates are mainly designing, manufacturing, marketing, retailing and wholesaling of fashionable leather goods, apparels, footwear and accessories for the local and overseas markets, property development and investment holding. Further details of the subsidiaries and associates are set out in Notes 9 and 10 to the financial statements.

There have been no significant changes in the nature of these activities of the Company and its subsidiaries during the financial year.

### RESULTS

	<b>Group RM'000</b>	<b>Company RM'000</b>
Profit for the financial year	39,924	37,027
Profit for the financial year attributable to:		
Owners of the parent	33,814	37,027
Non-controlling interests	6,110	-
	39,924	37,027

### DIVIDENDS

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

	<b>Company RM'000</b>
In respect of the financial year ended 30 June 2024:	
Single tier interim dividend of 2.00 sen per ordinary share, paid on 29 September 2023	4,020
Single tier special dividend of 4.00 sen per ordinary share, paid on 29 September 2023	8,040
Single tier interim dividend of 2.00 sen per ordinary share, paid on 5 January 2024	4,020
Single tier interim dividend of 2.00 sen per ordinary share, paid on 5 April 2024	4,020
Single tier interim dividend of 2.00 sen per ordinary share, paid on 26 June 2024	4,020
	24,120

The Directors do not recommend the payment of any final dividend for the financial year ended 30 June 2024.

On 29 August 2024, the Board of Directors declared a single tier interim dividend of 2.00 sen per ordinary share amounted to approximately RM4,020,000 in respect of the financial year ended 30 June 2024, that were paid on 27 September 2024 to the shareholders whose names appeared in the Record of Depositors of the Company as at 13 September 2024. The dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 June 2025.

## DIRECTORS' REPORT

### 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 2024.

### RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year ended 30 June 2024.

### ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year ended 30 June 2024.

### TREASURY SHARES

As at 30 June 2024, the Company held 576,719 (2023: 576,719) treasury shares out of its total issued shares of 201,571,842 (2023: 201,571,842) ordinary shares. Such treasury shares are recorded at a carrying amount of RM485,000 (2023: RM485,000).

There were no share re-issuance, cancellations, resale and buybacks for the current and previous financial year.

### DIRECTORS OF BONIA CORPORATION BERHAD

The Directors who held office during the financial year and up to the date of this report are as follows:

Datuk Ng Peng Hong @ Ng Peng Hay <sup>(1)</sup>	- Senior Independent Non-Executive Chairman
Dato' Sri Chiang Fong Seng <sup>(2)</sup>	- Executive Vice Chairman/Group CEO
Chiang Sang Sem <sup>(3)</sup>	- Founder and Group Executive Director
Dato' Sri Chiang Fong Tat	- Group Executive Director
Chiang May Ling	- Group Executive Director
Datuk Chiang Heng Kieng	- Non-Independent Non-Executive Director
Law Wei Liang	- Independent Non-Executive Director
Azian Binti Mohd Yusof	- Independent Non-Executive Director
Raja Hamzah Abidin Bin Raja Nong Chik <sup>(5)</sup>	- Independent Non-Executive Director
Chiang Fong Xiang	- Alternate Director to Chiang May Ling
Chong Chin Look <sup>(4)</sup>	- Non-Independent Non-Executive Director

<sup>(1)</sup> Redesignated as Senior Independent Non-Executive Chairman after the financial year

<sup>(2)</sup> Redesignated as Executive Vice Chairman/Group CEO after the financial year end

<sup>(3)</sup> Redesignated as Founder and Group Executive Director after the financial year

<sup>(4)</sup> Resigned after the financial year

<sup>(5)</sup> Appointed after the financial year

## DIRECTORS' REPORT

### DIRECTORS OF SUBSIDIARIES OF BONIA CORPORATION BERHAD

Pursuant to Section 253 of the Companies Act 2016, the Directors of the subsidiaries of Bonia Corporation Berhad during the financial year and up to the date of this report are as follows:

Chiang Sang Sem	Chew Siew Moy	Liao Tian Sze
Datuk Chiang Heng Kieng	Ong May Chiun	Chiang Boon Tian
Chiang Sang Bon	Siow Huey Loong	Chiang Fong Xiang
Dato' Sri Chiang Fong Tat	Chiang Sang Ling	Christiane Brunk
Dato' Sri Chiang Fong Seng	Bong Kwan Chin <sup>(1)</sup>	Susan Silvia Gretz
Datin Sri Linda Chen May Yen	Lim Ting Fong	Tan Feng Nee
Datin Sri Tan Loo Yin	Ting Oi Ling	Chong See Moi
Chiang May Ling	Wong Kwong Tung	Fong Kok Leong
Chong Chin Look <sup>(4)</sup>	Tan Tai Kwan	Tran Thi Trang <sup>(1)</sup>
Lee Eng Cheng <sup>(3)</sup>	Musniarni Massewa	Phan Duong Hoang Anh <sup>(2)</sup>
Chiang Sang Yau <sup>(3)</sup>	Liao Tien Fook	

<sup>(1)</sup> Resigned during the financial year

<sup>(2)</sup> Appointed during the financial year

<sup>(3)</sup> Ceased to hold office due to dissolution of company during the financial year

<sup>(4)</sup> Resigned after the financial year

### DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of the Directors in office at the end of the financial year in the ordinary shares of the Company and its related corporations (other than wholly-owned subsidiaries) during the financial year ended 30 June 2024 were as follows:

	←———— Number of ordinary shares —————→			
	Balance as at 1.7.2023	Addition	Sold/ Transferred	Balance as at 30.6.2024
<b>The Company</b>				
<u>Direct interests</u>				
Chiang Sang Sem	21,990,040	-	-	21,990,040
Dato' Sri Chiang Fong Seng	6,148,014	-	-	6,148,014
Dato' Sri Chiang Fong Tat	1,142,238	-	-	1,142,238
Chiang May Ling	264,000	-	-	264,000
<u>Indirect/Deemed interests</u>				
Chiang Sang Sem	124,806,297	-	-	124,806,297
Dato' Sri Chiang Fong Tat	27,000	-	-	27,000
Datuk Chiang Heng Kieng	47,520	-	-	47,520

## DIRECTORS' REPORT

### DIRECTORS' INTERESTS (continued)

According to the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of the Directors in office at the end of the financial year in the ordinary shares of the Company and its related corporations (other than wholly-owned subsidiaries) during the financial year ended 30 June 2024 were as follows: (continued)

	←————— Number of ordinary shares —————→			
	Balance as at 1.7.2023	Addition	Sold/ Transferred	
<b>Subsidiary company - Jeco (Pte) Limited</b>				
<u>Indirect/Deemed interests</u>				
Chiang Sang Sem	50,000	-	-	50,000
Chiang Fong Xiang (Alternate Director)	50,000	-	-	50,000
<b>Subsidiary company - SBG Holdings Sdn. Bhd.</b>				
<u>Indirect/Deemed interests</u>				
Chiang Sang Sem	-	16,538,130	-	16,538,130
Dato' Sri Chiang Fong Tat	-	16,538,130	-	16,538,130
<b>Subsidiary company - VR Directions Sdn. Bhd.</b>				
<u>Direct interest</u>				
Chiang May Ling	250,000	-	-	250,000
<u>Indirect/Deemed interest</u>				
Chiang Sang Sem	250,000	-	-	250,000

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 those benefits included in the aggregate amount of remuneration received or due and receivable by the Directors) 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, other than:

- (a) the transactions entered into in the ordinary course of business with companies in which certain Directors of the Company and its subsidiaries have substantial interests as disclosed in Note 32 to the financial statements; and
- (b) the remuneration received and receivable by certain Directors from related corporations in their capacity as Directors or full-time employees of the related corporations.

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 the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.



## DIRECTORS' REPORT

### DIRECTORS' REMUNERATION

Directors' remuneration of the Group and of the Company for the financial year ended 30 June 2024 were as follows:

	<b>Group RM'000</b>	<b>Company RM'000</b>
Directors' fees	1,858	580
Short term employee benefits	6,763	74
Contributions to defined contribution plan	792	34
	<b>9,413</b>	<b>688</b>

### INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Company maintains a corporate liability insurance for the Directors and officers of the Group throughout the financial year, which provides appropriate insurance cover for the Directors and officers of the Group. The amount of insurance premium paid by the Group and the Company for the financial year ended 30 June 2024 was RM14,530.

There was no indemnity given to or insurance effected for the auditors of the Group and of the Company during the financial year.

### OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

#### (I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, 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 had 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 2024 have not been substantially affected by any item, transaction or event of a material and unusual nature.

#### (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 2024 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.

## DIRECTORS' REPORT

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

#### (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 this report or the 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 AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

- (a) The Company had on 21 June 2023, inked a conditional Share Sale Agreement ("SSA") with a related party, Remarkable Success Sdn. Bhd. ("RSSB", a company controlled by Dato' Sri Chiang Fong Tat) to dispose 30% of the Company's equity interest (equivalent to the then 60,298,537 ordinary shares in issue of SBG Holdings Sdn. Bhd. ("SBG")) held in SBG (a then wholly-owned subsidiary of the Company) to RSSB at a disposal consideration of RM17,597,330 ("Disposal Consideration") to be satisfied entirely in cash (collectively, "Disposal").

The Disposal was completed on 1 September 2023 following: (i) the Company's receipt of the balance Disposal Consideration of RM15,837,597 from RSSB, and (ii) the fulfilment of all conditions precedent in the SSA by both the Company and RSSB.

- (b) On 2 May 2024, the Company subscribed for 150,000 new ordinary shares, representing 15% shareholding in the share capital of UDT Sea Sdn. Bhd. ("UDT") at a price of RM1.00 per share by way of cash subscription.
- (c) The shareholders of the Company approved the proposed renewal of shareholders' mandate to enable Bonia Corporation Berhad to purchase up to 10% of its total number of issued shares at the Annual General Meeting of the Company held on 30 November 2023.
- (d) The Company had on 9 July 2024, inked a subscription agreement with IT SEA Holdings Sdn. Bhd. ("ITSH", a company in which Dato' Sri Chiang Fong Seng is a substantial shareholder) to formalise the subscription by the Company of 6,669,231 new ordinary shares equivalent to or representing 30% of the total enlarged number of issued shares of ITSH at the total subscription consideration of RM7,500,217. The subscription was completed after the financial year.
- (e) During the financial year, the Company subscribed for an additional 3,800,000 ordinary shares in the share capital of Luxury Parade Sdn. Bhd., a wholly-owned subsidiary of the Company, at a price of RM1.00 per share by way of cash subscription.
- (f) During the financial year, Active Franchise Pte. Ltd., an indirect wholly-owned subsidiary of the Company, was struck off from the register of the Accounting and Corporate Regulatory Authority ("ACRA"), Singapore.
- (g) After the financial year, SBG, a 70%-owned subsidiary of the Company, subscribed for 3,000,000 ordinary shares in the share capital of its wholly-owned subsidiary namely SB Boutique Sdn. Bhd. at a price of RM1.00 per share by way of cash subscription.
- (h) Material litigation

The 60% owned subsidiaries of the Company, AMSB and Mcore (collectively referred as "the Plaintiffs") had filed a civil suit on 3 August 2011 against Leong Tat Yan ("the Defendant"). 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 amounting 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.

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## DIRECTORS' REPORT

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### SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD (continued)

(h) Material litigation (continued)

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.

The Plaintiffs had on 31 October 2016 filed a Writ of Summons and Statement of Claim against the Defendant and served the same on the Defendant on 2 November 2016.

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

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

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

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

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

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

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

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

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

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

On 5 January 2018, the High Court allowed the Defendant's application to stay the proceedings pending reference of the dispute to arbitration, with costs of RM5,000 to follow the outcome of the arbitration.

## DIRECTORS' REPORT

### SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD (continued)

(h) Material litigation (continued)

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

On 26 June 2018, the Court of Appeal allowed the Plaintiffs' appeal and reversed the decision of the High Court, with costs of RM15,000 for the Court of Appeal and High Court proceedings awarded to the Plaintiffs.

On 3 July 2018, the Respondent filed an application for leave to appeal to the Federal Court against the decision of the Court of Appeal.

On 20 July 2018, the Defendant filed an application to stay the proceedings pending the disposal of the Federal Court proceedings (Enclosure 7).

On 30 July 2018, the Plaintiffs filed an application for security for costs (Enclosure 13).

On 8 October 2018, the Federal Court allowed the Defendant's application to stay the proceedings in full and the Plaintiffs' application for security for costs in part.

The Defendant's application for leave to appeal to the Federal Court on Enclosure 22 is fixed for Case Management on 26 November 2020.

On 26 February 2021, the Defendant's application for leave to appeal to the Federal Court on Enclosure 22 was dismissed and the matter was remitted to the High Court for trial.

On 30 August 2023, the High Court allowed the Plaintiffs' claim against the Defendant and made the following orders:

- i. The Defendant is to pay the 1st Plaintiff, ie. AMSB the following sums:
  - a. RM946,496.39;
  - b. RM3,303,671.00; and
  - c. Interest on the sums in (a) and (b) above at the rate of 5% per annum from the date of judgment to the date of full realisation.
- ii. The Defendant is to pay the 2nd Plaintiff, ie. Mcore the following sums:
  - a. RM2,249,751.08;
  - b. RM14,871,167.03; and
  - c. Interest on the sums in (a) and (b) above at the rate of 5% per annum from the date of judgment to the date of full realisation.
- iii. The Defendant is to pay the Plaintiffs costs of RM100,000.
- iv. The Defendant's counterclaim is dismissed.

The Defendant filed an appeal against the decision of the High Court on 21 September 2023.

On 7 May 2024, the Court of Appeal allowed the Plaintiffs' application for security for costs and ordered the Defendant to deposit RM40,000 with his solicitors. The hearing of the appeal is fixed on 19 February 2025.

## DIRECTORS' REPORT

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### AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

### AUDITORS' REMUNERATION

Auditors' remuneration of the Group and of the Company for the financial year ended 30 June 2024 were as follows:

	<b>Group RM'000</b>	<b>Company RM'000</b>
Statutory audit	756	65
Other services	23	3
	779	68

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

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**Chiang Sang Sem**

Founder and Group Executive Director

Kuala Lumpur  
14 October 2024

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**Dato' Sri Chiang Fong Seng**

Executive Vice Chairman/Group CEO

## STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 155 to 243 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards, and the provisions of the Companies Act 2016 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 2024 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

**Chiang Sang Sem**  
Founder and Group Executive Director

Kuala Lumpur  
14 October 2024

**Dato' Sri Chiang Fong Seng**  
Executive Vice Chairman/Group CEO

## STATUTORY DECLARATION

I, Wong Kwong Tung (MIA 49641), being the Chief Financial Officer primarily responsible for the financial management of Bonia Corporation Berhad, do solemnly and sincerely declare that the financial statements set out on pages 155 to 243 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 )  
14 October 2024 )

**Wong Kwong Tung**

Before me:

Commissioner for Oaths  
Kuala Lumpur

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**INDEPENDENT AUDITORS' REPORT**  
**TO THE MEMBERS OF BONIA CORPORATION BERHAD**  
**(INCORPORATED IN MALAYSIA)**

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## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Bonia Corporation Berhad, which comprise the statements of financial position as at 30 June 2024 of the Group and of the Company, and the 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 notes to the financial statements, including material accounting policy information, as set out on pages 155 to 243.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and Other Ethical Responsibilities*

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **Key Audit Matters of the Group**

##### **1. Impairment assessment of the carrying amounts of goodwill and trademarks**

As at 30 June 2024, the net carrying amounts of goodwill, and trademarks of the Group were RM51,495,000 and RM25,401,000 respectively, as disclosed in Note 8 to the financial statements.

Goodwill and trademarks are tested for impairment by the Group annually, or more frequently if events or changes in circumstances indicate that the goodwill or intangible assets might be impaired. To determine if there is any impairment loss required on goodwill and trademarks, management used a value-in-use model to compute the present values of forecasted future cash flows for the respective Cash Generating Units ("CGUs").

We determined the impairment assessment of the carrying amounts of goodwill and trademarks to be a key audit matter as the determination of whether or not an impairment loss is necessary involves significant judgement by the management about the future results and cash flows of the relevant business, including forecast growth in future revenue and operating profit margins as well as determining an appropriate discount factor and growth rates.

Our audit procedures included the following:

- (a) assessed the reasonableness of the key assumptions used by management in the cash flows forecasts and projections;
- (b) assessed the reasonableness of the pre-tax discount rate used by management for each of the CGUs by comparing to market data, weighted average cost of capital of the Group and relevant risk factors;
- (c) assessed the cash flows projections against recent performance and compared the current period's actual results with previous forecasts to assess the historical accuracy of forecasts; and
- (d) performed sensitivity analysis of our own to stress test the key assumptions used by management in the impairment models.



**INDEPENDENT AUDITORS' REPORT**  
TO THE MEMBERS OF BONIA CORPORATION BERHAD  
(INCORPORATED IN MALAYSIA)

## Key Audit Matters (continued)

### Key Audit Matters of the Group (continued)

#### 2. Carrying amount of inventories at the lower of cost and net realisable value

As at 30 June 2024, the carrying amount of inventories of the Group was RM91,827,000, as disclosed in Note 14 to the financial statements.

We determined this to be a key audit matter as the carrying amount of inventories may not be stated at the lower of cost and net realisable value, the determination of which requires the management to exercise significant judgement in estimating the net realisable value of the inventories.

In estimating the net realisable value of inventories, management considers the inventories' ageing, fashion pattern, current economic conditions, market demand, expectation of future prices and changes in customer preference of the respective inventories.

Our audit procedures included the following:

- (a) discussed with management and obtained an understanding of the process implemented by management over the determination of the lower of cost and net realisable value of inventories;
- (b) tested the accuracy of inventories' ageing;
- (c) tested the weighted average costing of inventories; and
- (d) tested inventories as well as old and slow-moving inventories for sales subsequent to the year end to support the assertion that the carrying amount of inventories is at the lower of cost and net realisable value.

#### 3. Recoverability of trade receivables

As at 30 June 2024, the net carrying amount of trade receivables of the Group was RM29,744,000, as disclosed in Note 12 to the financial statements.

The Group has impaired trade receivables of RM23,777,000 as at 30 June 2024.

We determined this to be a key audit matter because it requires management to exercise significant judgements in determining the probability of default by trade receivables as well as the use of appropriate forward-looking information.

Our audit procedures included the following:

- (a) assessed the adequacy of credit impaired assessment performed by management on trade receivables exceeding their credit terms and long overdue and old balances;
- (b) tested the accuracy of trade receivables' ageing;
- (c) recomputed the probability of default using historical data and forward-looking information adjustment applied by the Group;
- (d) recomputed the correlation coefficient between the macroeconomic indicators used by the Group and historical credit losses to determine the appropriateness of the forward-looking information used by the Group;
- (e) inquiries of management to assess the rationale underlying the relationship between the forward-looking information and expected credit losses; and
- (f) assessed cash receipts subsequent to the end of the reporting period for its effect in reducing amounts outstanding as at the end of the reporting period.

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**INDEPENDENT AUDITORS' REPORT**  
TO THE MEMBERS OF BONIA CORPORATION BERHAD  
(INCORPORATED IN MALAYSIA)

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**Key Audit Matters (continued)**

**Key Audit Matters of the Company**

**1. Impairment assessment of the carrying amounts of costs of investments in subsidiaries**

As disclosed in Note 9 to the financial statements, the carrying amounts of costs of investments in subsidiaries amounted to RM272,410,000 as at 30 June 2024. Included in this carrying amount are costs of investments in certain subsidiaries amounting to RM94,443,000 as at 30 June 2024 which have indication of impairment.

The Company has impaired costs of investments in subsidiaries of RM23,747,000 as at 30 June 2024.

Management used forecasted future cash flows and a value-in-use model to compute the present value of forecasted future cash flows for these subsidiaries/Cash Generating Units ("CGUs") to determine if there is any impairment loss required on the costs of investments in these subsidiaries.

We determined the impairment assessment of the carrying amounts of the costs of investments in these subsidiaries to be a key audit matter as the determination of whether or not an impairment loss is necessary involves significant judgements and estimates by the management about the future results and key assumptions applied to cash flow projections of these subsidiaries/CGUs in determining their recoverable amounts. These key assumptions include forecast growth in future revenues and operating profit margins, as well as determining an appropriate pre-tax discount rate and growth rates.

Our audit procedures included the following:

- (a) compared cash flows projections against recent performance and assessed the reasonableness of the key assumptions used by management in the cash flows projections by comparing to actual historical operating profit margins and growth rates;
- (b) compared prior period projections to actual outcomes to assess the reliability of management's forecasting process;
- (c) assessed the reasonableness of the pre-tax discount rate used for each subsidiary by comparing to the weighted average cost of capital of the Group and relevant risk factors; and
- (d) performed sensitivity analysis to stress test the key assumptions used by management in the impairment model.

**2. Impairment assessment of amounts owing by subsidiaries**

As at 30 June 2024, the net carrying amounts owing by subsidiaries of the Company amounted to RM2,513,000, as disclosed in Note 12 to the financial statements.

We determined this to be a key audit matter because it requires management to exercise significant judgements in determining the probability of default by subsidiaries, appropriate forward-looking information, significant increase in credit risk and estimated cash flows recoverable in worst-case scenarios.

Our audit procedures included the following:

- (a) assessed the probability of default applied by the Company against external market sources of data;
- (b) assessed the appropriateness of the indicators of significant increase in credit risk applied by management and the resultant basis for classification of exposure into respective stages; and
- (c) assessed management's basis in determining cash flows recoverable in worst-case scenarios, where applicable.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BONIA CORPORATION BERHAD (INCORPORATED IN MALAYSIA)

### Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit 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 internal control of the Group and of the Company.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

**INDEPENDENT AUDITORS' REPORT**  
TO THE MEMBERS OF BONIA CORPORATION BERHAD  
(INCORPORATED IN MALAYSIA)

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**Auditors' Responsibilities for the Audit of the Financial Statements (continued)**

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (continued)

- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 9 to the financial statements.

**Other Matters**

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**BDO PLT**  
201906000013 (LLP0018825-LCA) & AF 0206  
Chartered Accountants

**Law Kian Huat**  
02855/06/2026 J  
Chartered Accountant

Kuala Lumpur  
14 October 2024

## STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	5	148,139	144,373	-	-
Right-of-use assets	6	89,120	73,630	-	-
Investment properties	7	98,453	99,186	-	-
Intangible assets	8	76,896	77,563	-	-
Investments in subsidiaries	9	-	-	272,410	294,904
Interests in associates	10	1,308	1,160	-	-
Other investments	11	2,923	2,766	150	-
Other receivables	12	-	-	1,595	2,142
Deferred tax assets	13	3,470	1,115	-	-
		420,309	399,793	274,155	297,046
<b>Current assets</b>					
Inventories	14	91,827	94,140	-	-
Trade and other receivables	12	56,289	55,132	918	871
Current tax assets		2,729	1,953	57	52
Short term funds	15	54,765	30,510	26,803	4,458
Cash and bank balances	16	88,594	112,454	2,767	232
		294,204	294,189	30,545	5,613
<b>TOTAL ASSETS</b>		<b>714,513</b>	<b>693,982</b>	<b>304,700</b>	<b>302,659</b>

**STATEMENTS OF FINANCIAL POSITION**  
AS AT 30 JUNE 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owners of the parent</b>					
Share capital	17	201,572	201,572	201,572	201,572
Reserves	18	235,591	226,046	102,505	89,598
		437,163	427,618	304,077	291,170
Non-controlling interests	9(f)	46,127	27,986	-	-
<b>TOTAL EQUITY</b>		483,290	455,604	304,077	291,170
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Other payable	19	2,123	5,796	-	-
Borrowings	20	63,081	67,598	-	-
Lease liabilities	6	64,028	52,670	-	-
Provision for restoration costs	22	2,037	1,518	-	-
Deferred tax liabilities	13	5,358	5,708	-	1
		136,627	133,290	-	1
<b>Current liabilities</b>					
Trade and other payables	19	25,870	29,232	623	11,488
Borrowings	20	13,833	22,402	-	-
Lease liabilities	6	29,213	25,175	-	-
Provision for restoration costs	22	978	702	-	-
Contract liabilities	23	20,360	20,776	-	-
Current tax liabilities		4,342	6,801	-	-
		94,596	105,088	623	11,488
<b>TOTAL LIABILITIES</b>		231,223	238,378	623	11,489
<b>TOTAL EQUITY AND LIABILITIES</b>		714,513	693,982	304,700	302,659

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 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	25	413,665	424,148	30,016	49,690
Cost of sales	26	(162,166)	(164,767)	-	-
Gross profit		251,499	259,381	30,016	49,690
Other operating income		7,942	9,955	8,555	4,244
Selling and distribution expenses		(124,028)	(113,837)	-	-
General and administrative expenses		(75,282)	(69,721)	(1,500)	(1,352)
Finance costs		(7,694)	(6,603)	-	-
Share of profit of associates, net of tax	10(e)	448	786	-	-
Profit before tax	27	52,885	79,961	37,071	52,582
Tax expense	28	(12,961)	(17,366)	(44)	(53)
Profit for the financial year		39,924	62,595	37,027	52,529
<b>Other comprehensive income, net of tax</b>					
<b>Items that may be reclassified subsequently to profit or loss</b>					
Foreign currency translations		61	11,434	-	-
Total other comprehensive income, net of tax		61	11,434	-	-
Total comprehensive income		39,985	74,029	37,027	52,529
Profit attributable to:					
Owners of the parent		33,814	55,000	37,027	52,529
Non-controlling interests	9(f)	6,110	7,595	-	-
		39,924	62,595	37,027	52,529
Total comprehensive income attributable to:					
Owners of the parent		33,665	65,479	37,027	52,529
Non-controlling interests	9(f)	6,320	8,550	-	-
		39,985	74,029	37,027	52,529
Earnings per ordinary share attributable to owners of the parent (Sen):					
Basic and diluted	29	16.82	27.36		

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



**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

Group	Note	← Attributable to owners of the parent →					Total equity RM'000		
		Share capital RM'000	Treasury shares RM'000	Exchange translation reserve RM'000	Revaluation reserve RM'000	Retained earnings RM'000		Total RM'000	Non-controlling interests RM'000
Balance as at 1 July 2022		201,572	(485)	16,514	184	180,534	398,319	24,831	423,150
Profit for the financial year		-	-	-	-	55,000	55,000	7,595	62,595
Foreign currency translations		-	-	10,479	-	-	10,479	955	11,434
Total comprehensive income		-	-	10,479	-	55,000	65,479	8,550	74,029
<b>Transactions with owners</b>									
Dividends paid	30	-	-	-	-	(36,180)	(36,180)	-	(36,180)
Dividends paid to non-controlling interests of subsidiaries	9(g)	-	-	-	-	-	-	(5,381)	(5,381)
Dilution of interest in non-controlling interests		-	-	-	-	-	-	(14)	(14)
Total transactions with owners		-	-	-	-	(36,180)	(36,180)	(5,395)	(41,575)
Balance as at 30 June 2023		201,572	(485)	26,993	184	199,354	427,618	27,986	455,604
Balance as at 1 July 2023		201,572	(485)	26,993	184	199,354	427,618	27,986	455,604
Profit for the financial year		-	-	-	-	33,814	33,814	6,110	39,924
Foreign currency translations		-	-	(149)	-	-	(149)	210	61
Total comprehensive income		-	-	(149)	-	33,814	33,665	6,320	39,985
<b>Transactions with owners</b>									
Dividends paid	30	-	-	-	-	(24,120)	(24,120)	-	(24,120)
Dividends paid to non-controlling interests of subsidiaries	9(g)	-	-	-	-	-	-	(5,776)	(5,776)
Dilution of interest in non-controlling interests		-	-	-	-	-	-	17,597	17,597
Total transactions with owners		-	-	-	-	(24,120)	(24,120)	11,821	(12,299)
Balance as at 30 June 2024		201,572	(485)	26,844	184	209,048	437,163	46,127	483,290

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

## STATEMENT OF CHANGES IN EQUITY

### FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	Share capital RM'000	Treasury shares RM'000	Retained earnings RM'000	Total equity RM'000
<b>Company</b>					
Balance as at 1 July 2022		201,572	(485)	73,734	274,821
Profit for the financial year		-	-	52,529	52,529
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income		-	-	52,529	52,529
<b>Transactions with owners</b>					
Dividends paid	30	-	-	(36,180)	(36,180)
Total transactions with owners		-	-	(36,180)	(36,180)
<b>Balance as at 30 June 2023</b>					
Balance as at 30 June 2023		201,572	(485)	90,083	291,170
Profit for the financial year		-	-	37,027	37,027
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income		-	-	37,027	37,027
<b>Transactions with owners</b>					
Dividends paid	30	-	-	(24,120)	(24,120)
Total transactions with owners		-	-	(24,120)	(24,120)
Balance as at 30 June 2024		201,572	(485)	102,990	304,077

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

## STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit before tax		52,885	79,961	37,071	52,582
Adjustments for:					
Amortisation of trademarks	8,27	1,367	1,405	-	-
Bad debts written off on trade and other receivables	27	45	26	5	-
Bad debt recovered	27	-	(138)	-	-
Deposits written off	27	9	-	9	-
Depreciation of property, plant and equipment	5,27	10,690	8,451	-	-
Depreciation of right-of-use assets	6,27	31,327	26,812	-	-
Dividend income	25	-	-	(30,016)	(49,690)
Fair value adjustments on investment properties	7,27	(165)	(126)	-	-
Fair value adjustments on non-current amounts owing by subsidiaries	27	-	-	(62)	(37)
Fair value loss on long term investments	27,33(e)	-	30	-	-
Fair value loss on other investments	27	17	101	-	-
Gain on disposals of:					
- property, plant and equipment, net	27	-	(110)	-	-
- investment in a subsidiary	27	-	-	(1,059)	-
Gain on reassessment and modification of leases	27	(796)	(325)	-	-
Impairment losses on:					
- trade and other receivables	12,27	4,363	1,486	-	-
- right-of-use assets	6,27	185	-	-	-
Interest expense and profit payment on borrowings	27	7,694	6,603	-	-
Interest income and distribution income from cash and bank balances and short term funds	27	(2,673)	(2,141)	(493)	(270)
Inventories written off	27	5	-	-	-
Loss on disposals of other investments	27	-	53	-	-
Loss on disposals of property, plant and equipment	27	186	-	-	-
Loss on striking off of subsidiaries	27	-	-	54	-
(Over)/Under-provision of restoration costs	22,27	(77)	55	-	-
Property, plant and equipment written off	5,27	69	218	-	-
Reversal of impairment losses on:					
- amounts owing by subsidiaries	12	-	-	(85)	(3,675)
- investments in subsidiaries	27	-	-	(6,599)	-
- property, plant and equipment	5,27	(198)	-	-	-
- trade and other receivables	12	(4,312)	(2,935)	-	-
Share of profit of an associate, net of tax	10(e)	(448)	(786)	-	-
Unrealised loss on foreign exchange, net	27	375	1,188	-	-
Operating profit/(loss) before changes in working capital		100,548	119,828	(1,175)	(1,090)

**STATEMENTS OF CASH FLOWS**  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES (continued)</b>					
Changes in working capital:					
Inventories		2,660	(30,924)	-	-
Trade and other receivables		(1,584)	2,888	-	30
Trade and other payables		(5,503)	(5,205)	(98)	1,911
Contract liabilities		(627)	1,153	-	-
Cash generated from/(used in) operations		95,494	87,740	(1,273)	851
Tax paid		(20,227)	(16,732)	(66)	(77)
Tax refunded		1,262	635	16	-
Net cash from/(used in) operating activities		76,529	71,643	(1,323)	774
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Acquisition of additional shares in subsidiaries		-	-	(3,800)	(31,982)
(Advances to)/Repayments from subsidiaries		-	-	(8,374)	4,941
Dividends received from subsidiaries		-	-	29,716	49,570
Dividends received from an associate	10(e)	300	120	300	120
Interest received		2,673	2,141	493	270
Placement of fixed deposits with maturities more than three (3) months		(12,264)	-	-	-
(Placement)/Withdrawal of deposits pledged with a licensed bank		(34)	25	-	-
Purchase of property, plant and equipment	5(c)	(14,598)	(49,794)	-	-
Purchase of right-of-use assets	6(f)	-	(145)	-	-
Purchase of non-controlling interest		-	(5)	-	-
Purchase of other investments		(150)	-	(150)	-
Proceeds from disposal of other investments		-	4,823	-	-
Proceeds from disposal of long-term investments		-	45	-	-
Proceeds from disposals of property, plant and equipment		32	1,290	-	-
Proceeds from dissolution of subsidiaries	9(c)	-	-	61	1,560
Proceeds from partial disposal of 30% equity interest in a subsidiary		15,837	-	15,837	-
Proceeds from share capital reduction of subsidiaries		-	-	16,240	-
Net cash (used in)/from investing activities		(8,204)	(41,500)	50,323	24,479

**STATEMENTS OF CASH FLOWS**  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Dividends paid to owners of the parent	30	(24,120)	(36,180)	(24,120)	(36,180)
Dividends paid to non-controlling interests	9(g)	(5,776)	(5,381)	-	-
Drawdown of foreign currency trade loan	20(f)	3,139	-	-	-
Drawdowns of term loans and term financing-i		-	17,000	-	-
Interest paid and profit paid on borrowings		(213)	(163)	-	-
Net (repayments)/drawdown of trust receipts	20(f)	(6,967)	1,218	-	-
Net (repayments)/drawdown of bankers' acceptances	20(f)	(1,092)	2,280	-	-
Payments of lease liabilities		(33,706)	(29,145)	-	-
(Repayments)/Drawdown of revolving credit	20(f)	(4,647)	8,305	-	-
Repayments of term loans and term financing-i		(7,385)	(23,579)	-	-
Net cash used in financing activities		(80,767)	(65,645)	(24,120)	(36,180)
Net (decrease)/increase in cash and cash equivalents		(12,442)	(35,502)	24,880	(10,927)
Effects of exchange rate changes on cash and cash equivalents		539	2,853	-	-
Cash and cash equivalents at beginning of the financial year		141,785	174,434	4,690	15,617
Cash and cash equivalents at end of the financial year	16(d)	129,882	141,785	29,570	4,690

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

## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

#### 1. CORPORATE INFORMATION

Bonia Corporation Berhad (“the 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 is located at No.5-1, Jalan Radin Bagus 9, Bandar Baru Sri Petaling, 57000 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

The principal place of business of the Company is located at 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 2024 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 14 October 2024.

#### 2. PRINCIPAL ACTIVITIES

The Company is principally an investment holding and management company. The principal activities of the subsidiaries and associates are mainly designing, manufacturing, marketing, retailing and wholesaling of fashionable leather goods, apparels, footwear and accessories for the local and overseas markets, property development and investment holding. Further details of the subsidiaries and associates are set out in Notes 9 and 10 to the financial statements.

There have been no significant changes in the nature of these activities of the Company and its subsidiaries during the financial year.

#### 3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of the adoption of the new MFRSs during the financial year. The new MFRS and Amendments to MFRSs adopted during the financial year are disclosed in Note 35.1 to the financial statements.

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.

#### 4. OPERATING SEGMENTS

Bonia Corporation Berhad and its subsidiaries are principally engaged in designing, manufacturing, marketing, retailing and wholesaling of fashionable leather goods, apparels, footwear and accessories 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 require different business and marketing strategies. The reportable segments are summarised as follows:

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

**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

**4. OPERATING SEGMENTS (continued)**

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.

<b>2024</b>	<b>Retailing RM'000</b>	<b>Manufacturing RM'000</b>	<b>Investment and property development RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>				
Total revenue	410,673	13,059	53,150	476,882
Inter-segment revenue	-	(13,059)	(50,158)	(63,217)
Revenue from external customers	410,673	-	2,992	413,665
Interest income	2,194	53	426	2,673
Interest expense and profit payment on borrowings	(4,653)	(4)	(3,037)	(7,694)
Net interest expense and profit payment on borrowings	(2,459)	49	(2,611)	(5,021)
<b>Segment profit/(loss) before tax</b>	53,197	(41)	(271)	52,885
Share of profit of an associate, net of tax	-	-	448	448
Tax expense	(12,632)	99	(428)	(12,961)
Material items:				
- realised loss on foreign exchange, net	(304)	(46)	-	(350)
- rental commission	(6,744)	-	-	(6,744)
- rental of office equipment	(123)	-	(20)	(143)
- rental of premises	(1,018)	-	(521)	(1,539)
- rental income	363	554	-	917
Other material non-cash items:				
- amortisation of trademarks	(1,367)	-	-	(1,367)
- bad debts written off	(45)	-	-	(45)
- deposits written off	-	-	(9)	(9)
- depreciation of property, plant and equipment	(8,644)	(443)	(1,603)	(10,690)
- depreciation of right-of-use assets	(31,126)	(59)	(142)	(31,327)
- fair value adjustment on investment properties	-	-	165	165
- fair value loss on other investments	(17)	-	-	(17)
- fair value gain on short term funds, net	403	-	259	662
- gain on reassessment and modification of leases	796	-	-	796
- impairment losses on right-of-use assets	(185)	-	-	(185)
- impairment losses on trade and other receivables	(4,363)	-	-	(4,363)



## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 4. OPERATING SEGMENTS (continued)

2024	Retailing RM'000	Manufacturing RM'000	Investment and property development RM'000	Total RM'000
Other material non-cash items: (continued)				
- inventories written off	5	-	-	5
- (loss)/gain on disposals of property, plant and equipment	11	-	(197)	(186)
- over-provision of restoration costs	77	-	-	77
- property, plant and equipment written off	(58)	-	(11)	(69)
- reversal of impairment losses on property, plant and equipment	198	-	-	198
- reversal of impairment losses on trade and other receivables	4,311	-	1	4,312
- unrealised loss on foreign exchange, net	(117)	(20)	(238)	(375)
Interests in associates	-	-	1,308	1,308
Additions to non-current assets other than financial instruments and deferred tax assets	53,876	293	458	54,627
<b>Segment assets</b>	<b>394,089</b>	<b>21,783</b>	<b>292,442</b>	<b>708,314</b>
<b>Segment liabilities</b>	<b>150,848</b>	<b>1,040</b>	<b>69,635</b>	<b>221,523</b>
2023	Retailing RM'000	Manufacturing RM'000	Investment and property development RM'000	Total RM'000
<b>Revenue</b>				
Total revenue	421,262	19,661	68,287	509,210
Inter-segment revenue	-	(19,656)	(65,406)	(85,062)
Revenue from external customers	421,262	5	2,881	424,148
Interest income	2,003	12	126	2,141
Interest expense and profit payment on borrowings	(3,703)	(8)	(2,892)	(6,603)
Net interest expense and profit payment on borrowings	(1,700)	4	(2,766)	(4,462)
<b>Segment profit/(loss) before tax</b>	<b>80,675</b>	<b>31</b>	<b>(745)</b>	<b>79,961</b>
Share of profit of an associate, net of tax	-	-	786	786
Tax expense	(16,413)	59	(1,012)	(17,366)
Material items:				
- realised loss on foreign exchange, net	(746)	(77)	343	(480)
- rental commission	(7,325)	-	-	(7,325)
- rental of office equipment	(48)	-	-	(48)
- rental of premises	(1,410)	-	(126)	(1,536)
- rental income	327	334	-	661

**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

**4. OPERATING SEGMENTS (continued)**

<b>2023</b>	<b>Retailing RM'000</b>	<b>Manufacturing RM'000</b>	<b>Investment and property development RM'000</b>	<b>Total RM'000</b>
Other material non-cash items:				
- amortisation of trademarks	(1,405)	-	-	(1,405)
- bad debts recovered	138	-	-	138
- bad debts written off	(26)	-	-	(26)
- depreciation of property, plant and equipment	(6,401)	(407)	(1,643)	(8,451)
- depreciation of right-of-use assets	(26,296)	(58)	(458)	(26,812)
- fair value adjustment on investment properties	24	-	102	126
- fair value gain on short term funds, net	548	-	264	812
- fair value loss on long term investments	(30)	-	-	(30)
- fair value loss on other investments	(101)	-	-	(101)
- gain on disposals of property, plant and equipment	39	5	66	110
- gain on reassessment and modification of leases	294	-	31	325
- impairment losses on trade and other receivables	(1,481)	-	(5)	(1,486)
- loss on disposals of other investments	(53)	-	-	(53)
- property, plant and equipment written off	(211)	-	(7)	(218)
- reversal of impairment losses on trade and other receivables	2,896	-	39	2,935
- under-provision of restoration costs	(55)	-	-	(55)
- unrealised loss on foreign exchange, net	(356)	(140)	(692)	(1,188)
Interests in associates	-	-	1,160	1,160
Additions to non-current assets other than financial instruments and deferred tax assets	39,504	343	37,659	77,506
<b>Segment assets</b>	<b>398,125</b>	<b>22,526</b>	<b>270,263</b>	<b>690,914</b>
<b>Segment liabilities</b>	<b>149,280</b>	<b>1,412</b>	<b>75,177</b>	<b>225,869</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

#### 4. OPERATING SEGMENTS (continued)

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

	2024 RM'000	2023 RM'000
<b>Revenue</b>		
Total revenue for reportable segments	476,882	509,210
Elimination of inter-segment revenues	(63,217)	(85,062)
Revenue of the Group per consolidated statement of profit or loss and other comprehensive income	413,665	424,148
<b>Profit for the financial year</b>		
Profit before tax	52,885	79,961
Tax expense	(12,961)	(17,366)
Profit for the financial year of the Group per consolidated statement of profit or loss and other comprehensive income	39,924	62,595
<b>Assets</b>		
Total assets for reportable segments	708,314	690,914
Tax assets	6,199	3,068
Total assets of the Group per consolidated statement of financial position	714,513	693,982
<b>Liabilities</b>		
Total liabilities for reportable segments	221,523	225,869
Tax liabilities	9,700	12,509
Total liabilities of the Group per consolidated statement of financial position	231,223	238,378

#### 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 of customers.

The composition of each geographical segment is as follows:

- (i) Malaysia : Manufacturing, designing, promoting and marketing of fashionable leather goods, apparels, footwear, accessories 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<sup>(1)</sup> : Marketing and distribution of fashionable goods and accessories.

<sup>(1)</sup> Others represent the marketing and distribution of fashionable goods and accessories to East Asia and other ASEAN Countries.

**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

**4. OPERATING SEGMENTS (continued)****Geographical information (continued)**

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

	<b>2024</b> <b>RM'000</b>	<b>2023</b> <b>RM'000</b>
<b>Revenue from external customers</b>		
Malaysia	273,654	263,672
Singapore	115,460	132,212
Indonesia	14,687	20,668
Others	9,864	7,596
	413,665	424,148
<b>Non-current assets</b>		
Malaysia	323,545	266,480
Singapore	81,002	117,416
Indonesia	8,061	10,856
	412,608	394,752

Major customers

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

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 5. PROPERTY, PLANT AND EQUIPMENT

Group	Balance as at 1.7.2023 RM'000	Depreciation charge for the financial year (Note 27) RM'000		Disposals RM'000	Written off (Note 27) RM'000	Reversal of impairment (Note 27) RM'000	Reclassification from		Balance as at 30.6.2024 RM'000
		Additions RM'000	(Note 27) RM'000				right-of-use assets (Note 6) RM'000	Translation adjustments RM'000	
<b>Carrying amount</b>									
Freehold land	39,934	-	-	-	-	-	-	-	39,934
Buildings on freehold land	79,831	246	(2,064)	(212)	-	-	-	-	77,801
Buildings on leasehold land	6,817	-	(220)	-	-	-	-	(243)	6,354
Electrical installations	48	27	(17)	-	(4)	-	-	-	54
Furniture, fittings and counter fixtures	9,147	8,329	(4,259)	-	(8)	197	-	10	13,416
Motor vehicles	219	-	(216)	-	-	-	107	-	110
Office equipment	2,820	1,095	(1,160)	(6)	(17)	1	-	10	2,743
Plant and machinery	248	96	(48)	-	-	-	-	1	297
Renovation	5,309	4,416	(2,706)	-	(40)	-	-	35	7,014
Properties under construction	-	416	-	-	-	-	-	-	416
	144,373	14,625	(10,690)	(218)	(69)	198	107	(187)	148,139

**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

**5. PROPERTY, PLANT AND EQUIPMENT (continued)**

<b>Group</b>	← At 30.6.2024 →			
	<b>Cost RM'000</b>	<b>Accumulated depreciation RM'000</b>	<b>Accumulated impairment RM'000</b>	<b>Carrying amount RM'000</b>
Freehold land	39,934	-	-	39,934
Buildings on freehold land	96,101	(18,300)	-	77,801
Buildings on leasehold land	9,414	(2,688)	(372)	6,354
Electrical installations	343	(289)	-	54
Furniture, fittings and counter fixtures	47,969	(33,531)	(1,022)	13,416
Motor vehicles	2,882	(2,772)	-	110
Office equipment	15,738	(12,995)	-	2,743
Plant and machinery	2,849	(2,552)	-	297
Renovation	33,742	(26,728)	-	7,014
Properties under construction	416	-	-	416
	249,388	(99,855)	(1,394)	148,139

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 5. PROPERTY, PLANT AND EQUIPMENT (continued)

Group	Balance as at 1.7.2022 RM'000	Additions RM'000	Depreciation charge for the financial year (Note 27) RM'000	Disposals RM'000	Written off (Note 27) RM'000	Reclassification from disposal group held for distribution RM'000	Reclassification from right-of-use assets (Note 6) RM'000	Translation adjustments RM'000	Balance as at 30.6.2023 RM'000
<b>Carrying amount</b>									
Freehold land	420	36,984	-	-	-	2,530	-	-	39,934
Buildings on freehold land	72,553	82	(2,078)	-	-	9,274	-	-	79,831
Buildings on leasehold land	7,970	-	(242)	(1,104)	-	-	-	193	6,817
Electrical installations	20	24	(15)	-	(1)	20	-	-	48
Furniture, fittings and counter fixtures	3,890	8,225	(3,080)	(13)	(46)	149	-	22	9,147
Motor vehicles	127	-	(161)	-	-	167	87	(1)	219
Office equipment	1,104	1,484	(1,042)	(49)	(34)	1,307	-	50	2,820
Plant and machinery	197	103	(51)	-	-	-	-	(1)	248
Renovation	4,088	2,892	(1,782)	(14)	(130)	23	-	232	5,309
Properties under construction	7	-	-	-	(7)	-	-	-	-
	90,376	49,794	(8,451)	(1,180)	(218)	13,470	87	495	144,373

**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

**5. PROPERTY, PLANT AND EQUIPMENT (continued)**

<b>Group</b>	← <b>At 30.6.2023</b> →			<b>Carrying amount RM'000</b>
	<b>Cost RM'000</b>	<b>Accumulated depreciation RM'000</b>	<b>Accumulated impairment RM'000</b>	
Freehold land	39,934	-	-	39,934
Buildings on freehold land	96,155	(16,324)	-	79,831
Buildings on leasehold land	9,707	(2,520)	(370)	6,817
Electrical installations	453	(405)	-	48
Furniture, fittings and counter fixtures	48,210	(37,818)	(1,245)	9,147
Motor vehicles	2,434	(2,215)	-	219
Office equipment	20,169	(17,347)	(2)	2,820
Plant and machinery	2,841	(2,593)	-	248
Renovation	30,777	(25,468)	-	5,309
	250,680	(104,690)	(1,617)	144,373

- a) 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 subsequent costs would flow to the Group and the Company 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 a different useful life, is depreciated separately.

After initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

- (b) 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 annual depreciation rates are as follows:

Buildings	2% - 10%
Electrical installations	10% - 15%
Furniture, fittings and counter fixtures	10% - 33½%
Motor vehicles	20%
Office equipment	10% - 50%
Plant and machinery	15% - 20%
Renovation	10% - 33½%

Freehold land has unlimited useful life and is not depreciated. Properties under construction represents buildings under extension work or construction and is stated at cost. Properties under construction is not depreciated until such time when the asset is available for use.

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.



## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 5. PROPERTY, PLANT AND EQUIPMENT (continued)

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

	Group	
	2024 RM'000	2023 RM'000
Purchase of property, plant and equipment	14,625	49,794
Unsettled and remained as other payables	(27)	-
Cash payments on purchase of property, plant and equipment	14,598	49,794

- (d) As at the end of the reporting period, the carrying amount of property, plant and equipment of the Group pledged as securities for banking facilities granted to the Group as disclosed in Notes 20(c)(ii) and 21(a) to the financial statements are as follows:

	Group	
	2024 RM'000	2023 RM'000
Freehold land	36,984	36,984
Buildings on freehold land	49,021	48,520
	86,005	85,504

- (e) For the purpose of impairment assessment, recoverable amount of property, plant and equipment is determined based on a "value-in-use" of each Cash Generating Unit ("CGU").

The carrying amounts of property, plant and equipment in certain subsidiaries which have indication of impairment amounted to RM8,183,000 as at 30 June 2024.

Value-in-use of the CGUs is determined by discounting the future cash flows to be generated from continuing use of the CGUs. Management has made significant judgements and estimates about the future results and key assumptions applied to cash flow projections of the CGUs in determining the recoverable amount using the value-in-use model. These key assumptions include forecast growth in future revenues and operating profit margins, as well as determining an appropriate pre-tax discount rate and growth rates.

Based on these assumptions, management is of the view that no impairment loss is required in relation to property, plant and equipment as the recoverable amount determined is higher than the carrying amount of the CGUs.

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

NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2024

6. LEASES

The Group as lessee

Right-of-use assets

Carrying amount	Balance as at 1.7.2023 RM'000	Reassessment and modification RM'000	Additions RM'000	Depreciation charge for the financial year (Note 27) RM'000	Impairment losses (Note 27) RM'000	Reclassification to property, plant and equipment (Note 5) RM'000	Translation adjustments RM'000	Balance as at 30.6.2024 RM'000	At 30.6.2024				
									Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment RM'000	Carrying amount RM'000	
Leasehold land	180	-	-	(3)	-	-	-	177					
Boutiques	66,486	6,714	38,723	(28,702)	(185)	-	288	83,324					
Warehouses, hostels and office premises	6,280	(13)	1,279	(2,448)	-	-	65	5,163					
Office equipment	117	-	-	(32)	-	-	2	87					
Motor vehicles	567	51	-	(142)	-	(107)	-	369					
	73,630	6,752	40,002	(31,327)	(185)	(107)	355	89,120					
<b>Carrying amount</b>													
Leasehold land						(100)	-	177					
Boutiques						(94,505)	(823)	83,324					
Warehouses, hostels and office premises						(8,000)	-	5,163					
Office equipment						(120)	-	87					
Motor vehicles						(338)	-	369					
						(103,063)	(823)	89,120					

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 6. LEASES (continued)

#### The Group as lessee (continued)

#### Right-of-use assets (continued)

Carrying amount	Balance as at 1.7.2022 RM'000	Reassessment and modification RM'000	Additions RM'000	Depreciation charge for the financial year (Note 27) RM'000	Reclassification from disposal group held for distribution RM'000	Reclassification to property, plant and equipment (Note 5) RM'000	Translation adjustments RM'000	Balance as at 30.6.2023 RM'000	At 30.6.2023			
									Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment RM'000	Carrying amount RM'000
Leasehold land	183	-	-	(3)	-	-	-	180				
Boutiques	49,478	9,228	25,966	(23,518)	4,127	-	1,205	66,486				
Warehouses, hostels and office premises	9,508	(2,178)	1,482	(3,089)	109	-	448	6,280				
Office equipment	144	-	-	(37)	-	-	10	117				
Motor vehicles	464	-	264	(165)	91	(87)	-	567				
	59,777	7,050	27,712	(26,812)	4,327	(87)	1,663	73,630				
<b>Carrying amount</b>												
Leasehold land			279	(99)			-	180				
Boutiques			147,595	(79,701)			(1,408)	66,486				
Warehouses, hostels and office premises			12,675	(6,395)			-	6,280				
Office equipment			203	(86)			-	117				
Motor vehicles			1,159	(592)			-	567				
			161,911	(86,873)			(1,408)	73,630				

**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

**6. LEASES (continued)**

**The Group as lessee (continued)**

**Right-of-use assets (continued)**

- (a) The Group recognises a right-of-use asset and a lease liability at the commencement date of the contract for all leases excluding short-term leases or leases for which the underlying asset is of low value, conveying the right to control the use of an identified asset for a period of time.

The Group determines the lease term as the non-cancellable period of a lease, together with both:

- (i) periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and
- (ii) periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

In assessing whether a lessee is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, the Group considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low-value assets of RM20,000 and below. Short-term leases are leases with a lease term of twelve (12) months or less. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

- (b) Right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liabilities.

- (c) The right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The lease terms of right-of-use assets are as follows:

Leasehold land	Up to 96 years
Boutiques	2 to 12 years
Warehouses, hostels and office premises	1 to 9 years
Office equipment	5 years
Motor vehicles	5 years

- (d) The leasehold land of the Group has a remaining tenure of 61 years (2023: 62 years).
- (e) The Group leases boutiques, warehouses, hostels, office premises, office equipment and motor vehicles with lease periods of 2 to 14 years (2023: 5 to 14 years).
- (f) During the financial year, the Group made the following cash payments to purchase right-of-use assets:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Purchase of right-of-use assets	40,002	27,712
Financed by lease liabilities	(39,461)	(27,073)
Provision for restoration costs capitalised (Note 22(c))	(541)	(494)
Cash payments on purchase of right-of-use assets	-	145

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 6. LEASES (continued)

#### The Group as lessee (continued)

#### Right-of-use assets (continued)

(g) The following are the amounts recognised in profit or loss:

	Group	
	2024 RM'000	2023 RM'000
Included in cost of sales:		
Depreciation charge of right-of-use assets	3	3
Included in selling and distribution expenses:		
Expenses relating to short-term lease	887	961
Depreciation charge of right-of-use assets	29,755	24,633
Variable lease payments:		
- based on the monthly gross sales	6,744	7,325
Included in general and administrative expenses:		
Expenses relating to short-term lease	652	575
Expenses relating to leases of low-value assets	143	48
Depreciation charge of right-of-use assets	1,569	2,176
Impairment losses on right-of-use assets	185	-
Included in finance costs:		
Interest expense on lease liabilities	3,744	2,924
Included in other operating income:		
Gain on reassessment and modification of leases	(796)	(325)
	42,886	38,320

(h) For the purpose of impairment assessment, recoverable amount of right-of-use assets is determined based on a "value-in-use" of each Cash Generating Unit ("CGU").

The carrying amounts of right-of-use assets in certain subsidiaries which have indication of impairment amounted to RM12,484,000 as at 30 June 2024.

Value-in-use of the CGUs is determined by discounting the future cash flows for the remaining useful life of the right-of-use assets. Management has made significant judgements and estimates about the future results and key assumptions applied to cash flow projections of the CGUs in determining the recoverable amount using the value-in-use model. These key assumptions include forecast growth in future revenues and operating profit margins, as well as determining an appropriate pre-tax discount rate and growth rates.

Based on these assumptions, impairment losses of RM185,000 (2023: RM Nil) are recognised in relation to right-of-use assets of a subsidiary as the recoverable amounts determined are lower than the carrying amounts of the CGUs.

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

NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2024

6. LEASES (continued)

The Group as lessee (continued)

Lease liabilities

Carrying amount	Balance as at 1.7.2023 RM'000	Reassessment and modification RM'000	Additions RM'000	Lease payments RM'000	Interest expense (Note 27) RM'000	Translation adjustments RM'000	Balance as at 30.6.2024 RM'000
Boutiques	70,745	5,549	38,185	(30,922)	3,538	293	87,388
Warehouses, hostels and office premises	6,613	10	1,276	(2,637)	186	64	5,512
Office equipment	115	-	-	(47)	6	1	75
Motor vehicles	372	-	-	(120)	14	-	266
	77,845	5,559	39,461	(33,726)	3,744	358	93,241

Carrying amount	Balance as at 1.7.2022 RM'000	Reassessment and modification RM'000	Additions RM'000	Lease payments RM'000	Interest expense (Note 27) RM'000	Reclassification from disposal group held for distribution RM'000	Translation adjustments RM'000	Balance as at 30.6.2023 RM'000
Boutiques	52,349	8,963	25,393	(25,709)	2,662	5,879	1,208	70,745
Warehouses, hostels and office premises	9,776	(2,218)	1,482	(3,274)	248	119	480	6,613
Office equipment	144	-	-	(45)	5	-	11	115
Motor vehicles	293	-	198	(131)	9	3	-	372
	62,562	6,745	27,073	(29,159)	2,924	6,001	1,699	77,845

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 6. LEASES (continued)

#### The Group as lessee (continued)

#### Lease liabilities (continued)

Represented by:	Group	
	2024 RM'000	2023 RM'000
<b>Non-current liabilities</b>		
- Lease liabilities owing to financial institutions	153	341
- Lease liabilities owing to non-financial institutions	63,875	52,329
	64,028	52,670
<b>Current liabilities</b>		
- Lease liabilities owing to financial institutions	188	146
- Lease liabilities owing to non-financial institutions	29,025	25,029
	29,213	25,175
	93,241	77,845

- (a) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the incremental borrowing rate of the Group. Subsequent to initial recognition, the Group measures the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect lease payments made, and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

- (b) The movements of lease liabilities during the financial year are as follows:

	Group	
	2024 RM'000	2023 RM'000
At 1 July 2023/2022	77,845	62,562
Reassessment and modification	5,559	6,745
Additions of lease liabilities	39,461	27,073
Lease payments	(33,726)	(29,159)
Interest charged for the year	3,744	2,924
Reclassification from assets held for distribution	-	6,001
Exchange differences	358	1,699
At 30 June 2024/2023	93,241	77,845

**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

**6. LEASES (continued)****The Group as lessee (continued)****Lease liabilities (continued)**

(c) The following are total cash outflows for lease as a lessee:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Included in net cash from operating activities:		
Payments relating to short-term leases and leases of low-value assets	1,682	1,584
Interest paid in relation to lease liabilities	3,744	2,924
Payments relating to variable lease payments not included in the measurement of lease liabilities	6,744	7,325
Included in net cash from investing activities:		
Purchase of right-of-use assets	-	145
Included in net cash from financing activities:		
Payments of lease liabilities	33,706	29,145
	<b>45,876</b>	<b>41,123</b>

(d) The Group has lease contracts for certain boutiques that contains variable payments based on the monthly gross sales. Variable lease payments are recognised in profit or loss when the condition that triggers those payments occur.

A 10% increase in monthly gross sales would increase total lease payments by 1.6% (2023: 1.9%).

(e) Information on the financial risk of lease liabilities is disclosed in Note 34 to the financial statements.

(f) Reconciliation of liabilities arising from financing activities:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
At 1 July 2023/2022	77,845	62,562
Cash flows:		
- Net of repayments of borrowings	(33,726)	(29,159)
- Interest paid	20	14
	<b>(33,706)</b>	<b>(29,145)</b>
Non-cash flows:		
- Reassessment and modification	5,559	6,745
- Additions	39,461	27,073
- Unwinding of interest	3,724	2,910
- Reclassification from assets held for distribution	-	6,001
- Effect of foreign exchange	358	1,699
	<b>49,102</b>	<b>44,428</b>
At 30 June 2024/2023	<b>93,241</b>	<b>77,845</b>



## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

#### 6. LEASES (continued)

##### The Group as lessor

The Group has entered into non-cancellable lease agreements for offices and freehold land for terms of between one (1) to three (3) years (2023: one (1) to three (3) years) with options to renew for terms of between one (1) to six (6) years (2023: one (1) to six (6) years). The Group has aggregate future minimum lease receivable as at the end of each reporting period as follows:

Group	2024 RM'000	2023 RM'000
Less than one (1) year	1,906	1,336
One (1) to two (2) years	1,300	1,235
Two (2) to three (3) years	1,408	1,057
Three (3) to four (4) years	1,221	861
Four (4) to five (5) years	1,200	840
More than five (5) years	4,600	1,160
	11,635	6,489

#### 7. INVESTMENT PROPERTIES

Group	Balance as at 1.7.2023 RM'000	Fair value adjustments (Note 27) RM'000	Translation adjustment RM'000	Balance as at 30.6.2024 RM'000
<b>At fair value</b>				
Freehold land, shoplots and clubhouse	86,719	240	-	86,959
Long term leasehold land and shoplots	12,467	(75)	(898)	11,494
	99,186	165	(898)	98,453

Group	Balance as at 1.7.2022 RM'000	Fair value adjustments (Note 27) RM'000	Translation adjustment RM'000	Balance as at 30.6.2023 RM'000
<b>At fair value</b>				
Freehold land, shoplots and clubhouse	86,723	(4)	-	86,719
Long term leasehold land and shoplots	11,753	130	584	12,467
	98,476	126	584	99,186

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

**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

**7. INVESTMENT PROPERTIES (continued)**

- (b) As at the end of the reporting period, certain investment properties of the Group with a total carrying amount of RM51,320,000 (2023: RM51,320,000) had been pledged as securities for banking facilities granted to the Group as disclosed in Note 21(b) to the financial statements.
- (c) As at the end of reporting period, rental income of the Group derived from the investment properties amounted to RM3,122,000 (2023: RM2,924,000).
- (d) The amounts of direct expenses recognised in profit or loss during the financial year are as follows:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>Income generating units</u></b>		
Quit rent and assessment	72	51
<b><u>Non-income generating units</u></b>		
Repairs and maintenance	49	43
Quit rent and assessment	12	12

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

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>2024</b>				
Freehold land, shoplots and clubhouse	-	-	86,959	86,959
Long term leasehold land and shoplots	-	-	11,494	11,494
	-	-	98,453	98,453
<b>2023</b>				
Freehold land, shoplots and clubhouse	-	-	86,719	86,719
Long term leasehold land and shoplots	-	-	12,467	12,467
	-	-	99,186	99,186

- (i) There were no transfers between Level 1, Level 2 and Level 3 fair value measurements during the financial years ended 30 June 2024 and 30 June 2023.
- (ii) As at 30 June 2024, the valuation of investment properties at Level 3 fair value amounting to RM98,453,000 (2023: RM99,186,000) were recommended by the Directors based on indicative market values from the valuation exercise carried out on an open market value basis by external and independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued.

The valuations were made based on the 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.

- (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.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 8. INTANGIBLE ASSETS

Group	Balance as at 1.7.2023 RM'000	Amortisation charge for the financial year (Note 27) RM'000	Translation adjustments RM'000	Balance as at 30.6.2024 RM'000
<b>Carrying amount</b>				
Goodwill	50,954	-	541	51,495
Trademarks	26,609	(1,367)	159	25,401
Other intangible assets	-	-	-	-
	77,563	(1,367)	700	76,896

← At 30.6.2024 →

	Cost RM'000	Accumulated amortisation RM'000	Accumulated impairment RM'000	Carrying amount RM'000
<b>Carrying amount</b>				
Goodwill	65,038	-	(13,543)	51,495
Trademarks	55,164	(25,278)	(4,485)	25,401
Other intangible assets	2,603	(2,603)	-	-
	122,805	(27,881)	(18,028)	76,896

Group	Balance as at 1.7.2022 RM'000	Amortisation charge for the financial year (Note 27) RM'000	Translation adjustments RM'000	Balance as at 30.6.2023 RM'000
<b>Carrying amount</b>				
Goodwill	46,979	-	3,975	50,954
Trademarks	26,834	(1,405)	1,180	26,609
Other intangible assets	-	-	-	-
	73,813	(1,405)	5,155	77,563

← At 30.6.2023 →

	Cost RM'000	Accumulated amortisation RM'000	Accumulated impairment RM'000	Carrying amount RM'000
<b>Carrying amount</b>				
Goodwill	64,466	-	(13,512)	50,954
Trademarks	54,836	(23,789)	(4,438)	26,609
Other intangible assets	2,576	(2,576)	-	-
	121,878	(26,365)	(17,950)	77,563

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 8. INTANGIBLE ASSETS (continued)

- (a) 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. Their useful lives are reviewed at the end of each reporting period.
- (b) 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 general and administrative expenses line item.
- (c) 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.
- (d) Intangible asset of the Group represents goodwill, trademark and other intangible asset which comprised of customer contract and relationship.
- (e) 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.

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.

For the purpose of impairment testing, the recoverable amount of the Cash Generating Units ("CGUs") is determined based on a "value-in-use" calculation. The value-in-use of the CGUs is determined by discounting the future cash flows to be generated from continuing use of the CGUs. The value-in-use is derived based on management's cash flow projections for five (5) (2023: five (5)) financial years from 2025 to 2029 (2023: 2024 to 2028). Management has made significant judgements and estimates about the future results and key assumptions applied to cash flow projections of the CGUs in determining the recoverable amount using the value-in-use model.

The key assumptions used in the value-in-use calculations are as follows:

- The anticipated annual revenue growth rates used in the cash flow projections of the CGUs ranged from 2% to 4% (2023: 2% to 9%) per annum.
- Profit margins are projected based on the historical profit margin achieved for the products.
- Pre-tax discount rate of 11.6% (2023: 10.5%) was applied over the projection periods in determining the recoverable amount of the CGUs. The discount rate used is pre-tax plus a reasonable risk premium and reflects the overall weighted average cost of capital of the Group.

Based on these assumptions, management is of the view that no impairment loss is required in relation to goodwill as the recoverable amount determined is higher than the carrying amount of the CGUs.

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

## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

#### 8. INTANGIBLE ASSETS (continued)

##### (f) Trademarks

- (i) Trademarks with finite useful life mainly represent the “Braun Buffel” trademark in the Asia Pacific Region.

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. They are tested for impairment annually and wherever there is an indication that the carrying amount may be impaired.

For the purpose of impairment testing, the recoverable amount of the CGU is determined based on a “value-in-use” calculation. The value-in-use of the CGU is determined by discounting the future cash flows to be generated from continuing use of the CGU. The value-in-use is derived based on management’s cash flow projections for five (5) (2023: five (5)) financial years from 2025 to 2029 (2023: 2024 to 2028). Management has made significant judgements and estimates about the future results and key assumptions applied to cash flow projections of the CGUs in determining the recoverable amount using the value-in-use model.

The key assumptions used in the value-in-use calculations are as follows:

- The anticipated annual revenue growth rates used in the cash flow projections of the CGUs ranged from 2% to 4% (2023: 2% to 9%) per annum.
  - Profit margins are projected based on the historical profit margin achieved for the products.
  - Pre-tax discount rate of 11.6% (2023: 10.5%) was applied over the projection periods in determining the recoverable amount of the CGUs. The discount rate used is pre-tax plus a reasonable risk premium and reflects the overall weighted average cost of capital of the Group.
- (ii) Included in trademarks are the rights of using “Braun Buffel” trademark in various countries worldwide (“BB Global Trademark”) amounting to RM5,766,000 (2023: RM5,706,000). The BB Global Trademark has an indefinite useful life.

The BB Global Trademark is tested for impairment annually. The recoverable amount of the BB Global Trademark was determined based on a value-in-use calculation. The five (5) years (2023: five (5) years) cash flow forecast and projection used in the value-in-use calculation was based on the following key assumptions:

- The anticipated annual revenue growth rates used in the cash flow projections of the CGU ranged from -11.0% to 1.0% (2023: 1.7% to 1.9%) per annum.
- Profit margins are projected based on the historical profit margin achieved for the products.
- Pre-tax discount rate of 12.8% (2023: 12.8%) was applied over the projection periods in determining the recoverable amount of the CGU.

Based on these assumptions, management is of the view that no impairment loss is required in relation to trademarks as the recoverable amount determined is higher than the carrying amount of the CGUs.

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

##### (g) Other intangible assets

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

Other intangible assets represented customer contract and relationship acquired through the acquisition of IBB Pte. Ltd. in the previous financial years. These intangible assets that have finite useful lives were carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation was calculated using the straight-line method to allocate the cost of other intangible assets over their estimated useful lives of two (2) to six (6) years.

**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

**9. INVESTMENTS IN SUBSIDIARIES**

	<b>Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Unquoted shares - at cost	296,157	327,275
Less: Impairment losses	(23,747)	(32,371)
	<b>272,410</b>	<b>294,904</b>

- (a) Investments in subsidiaries, which are eliminated on consolidation, are stated in the separate financial statements at cost less impairment losses.
- (b) The details of the subsidiaries, whose countries of incorporation and principal places of business are in Malaysia, unless otherwise stated, are as follows:

<b>Name of company</b>	<b>Effective equity interest</b>		<b>Principal activities</b>
	<b>2024</b>	<b>2023</b>	
	<b>%</b>	<b>%</b>	
<b>Subsidiaries of Bonia Corporation Berhad</b>			
CB Marketing Sdn. Bhd.	100	100	Designing, promoting and marketing of fashionable leather goods
CB Holdings (Malaysia) Sdn. Bhd. ("CBH")	100	100	Property investment, provision of management services and treasury management services
Eclat World Sdn. Bhd. ("ECW") <sup>(2)</sup>	-	100	Wound up by way of members' voluntary winding up
CB Franchising Sdn. Bhd.	100	100	Retailing of leather goods and apparels
BCB Properties Sdn. Bhd.	100	100	Property development
Long Bow Manufacturing Sdn. Bhd.	100	100	Manufacturing and marketing of leather goods
De Marts Marketing Sdn. Bhd. ("DMM")	100	100	Designing, promoting and marketing of fashionable ladies' footwear
Mcore Sdn. Bhd. ("Mcore")	60	60	Marketing and distribution of fashionable leather goods
Daily Frontier Sdn. Bhd.	100	100	Marketing, distribution and export of fashionable goods and accessories
Banyan Sutera Sdn. Bhd. ("BSSB")	100	100	Marketing and distribution of fashionable goods
Active World Pte. Ltd. <sup>(1)</sup> <i>(Incorporated in and having its principal place of business in Singapore)</i>	100	100	Wholesaling and retailing of fashionable leather goods and apparels
Dominion Directions Sdn. Bhd.	100	100	Marketing and distribution of men's apparels and accessories
Ataly Industries Sdn. Bhd. ("AISB") <sup>(2)</sup>	-	100	Wound up by way of members' voluntary winding up
Luxury Parade Sdn. Bhd. ("LPSB")	100	100	Property investment
Maha Asia Capital Sdn. Bhd. ("MAC")	100	100	Property investment
Alpha Footwear Sdn. Bhd. ("AFSB")	100	100	Marketing, retailing and distribution of men's and ladies' footwear
Jeco (Pte) Limited ("Jeco") <sup>(1)</sup> <i>(Incorporated in and having its principal place of business in Singapore)</i>	70	70	Intellectual property management and investment holding
Vista Assets Sdn. Bhd. ("VASB")	100	100	Intellectual property management
LBJR Marketing Sdn. Bhd.	100	100	Marketing and distribution of fashionable goods and accessories

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 9. INVESTMENTS IN SUBSIDIARIES (continued)

- (b) The details of the subsidiaries, whose countries of incorporation and principal places of business are in Malaysia, unless otherwise stated, are as follows: (continued)

Name of company	Effective equity interest		Principal activities
	2024 %	2023 %	
<b>Subsidiaries of Bonia Corporation Berhad (continued)</b>			
SBG Holdings Sdn. Bhd. ("SBG")	70	100	Investment holding and management services
Podium Retail Sdn. Bhd. ("PRSB")	100	100	Marketing and distribution of fashionable goods, accessories and beauty products
Casa Bologna Sdn. Bhd. ("CBSB")	68	68	Property investment and investment holding
Krinto Sdn. Bhd. ("KSB")	100	100	Creative design and brand management, advertising and production
<b>Subsidiaries of Dominion Directions Sdn. Bhd.</b>			
VR Directions Sdn. Bhd. ("VRD")	75	75	Marketing and distribution of men's apparels and accessories, and ladies' apparels
Galaxy Hallmark Sdn. Bhd. ("GHSB")	100	100	Marketing and distribution of all fashionable goods
<b>Subsidiaries of Banyan Sutera Sdn. Bhd.</b>			
PT Banyan Cemerlang <sup>(1)</sup> <i>(Incorporated in and having its principal place of business in Indonesia)</i>	100	100	Wholesaling of fashionable goods and accessories
<b>Subsidiaries of BCB Properties Sdn. Bhd.</b>			
Apex Marble Sdn. Bhd. ("AMSB")	60	60	Marketing and distribution of fashionable goods
<b>Subsidiaries of Daily Frontier Sdn. Bhd.</b>			
Daily Frontier (Vietnam) Company Limited <sup>(1)</sup> <i>(Incorporated in and having its principal place of business in Vietnam)</i>	100	100	Wholesaling, retailing, importing and exporting of fashionable products, accessories and cosmetics
<b>Subsidiaries of SBG Holdings Sdn. Bhd.</b>			
SBL Marketing Sdn. Bhd.	70	100	Designing, promoting and marketing of fashionable leather goods
SBFW Marketing Sdn. Bhd.	70	100	Designing, promoting and marketing of fashionable goods, footwear and accessories
SB Boutique Sdn. Bhd.	70	100	Retailing of leather goods and apparels
SB International Sdn. Bhd.	70	100	Marketing and distribution of fashionable goods and accessories; and intellectual property management
SBA Marketing Sdn. Bhd.	70	100	Marketing and distribution of fashionable goods and accessories
SBM Marketing Sdn. Bhd.	70	100	Designing, promoting and marketing of fashionable men's footwear
SB Directions Sdn. Bhd.	70	100	Manufacturing and marketing of fashionable goods

**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

**9. INVESTMENTS IN SUBSIDIARIES (continued)**

- (b) The details of the subsidiaries, whose countries of incorporation and principal places of business are in Malaysia, unless otherwise stated, are as follows: (continued)

Name of company	Effective equity interest		Principal activities
	2024 %	2023 %	
<b>Subsidiaries of Active World Pte. Ltd.</b>			
Jetbest Enterprise Pte. Ltd. <sup>(1)</sup> <i>(Incorporated in and having its principal place of business in Singapore)</i>	100	100	Wholesaling, retailing, importing and exporting of leather goods and accessories
Active Franchise Pte. Ltd. <sup>(2)</sup> <i>(Incorporated in Singapore)</i>	-	100	Struck off
PT Active World <sup>(1)</sup> <i>(Incorporated in and having its principal place of business in Indonesia)</i>	100	100	Investment holding
<b>Subsidiaries of Jeco (Pte) Limited</b>			
Lianbee-Jeco Pte. Ltd. <sup>(1)</sup> <i>(Incorporated in and having its principal place of business in Singapore)</i>	70	70	Retailing, importing and exporting leather goods and general merchandise
Lianbee-Jeco (M) Sdn. Bhd.	70	70	Trading in leather products
BB Global Holdings Pte. Ltd. <sup>(1)</sup> <i>(Incorporated in and having its principal place of business in Singapore)</i>	35.7	35.7	Intellectual property management
IBB Pte. Ltd. ("IBB") <sup>(1)</sup> <i>(Incorporated in and having its principal place of business in Singapore)</i>	70	70	General wholesale trade, including general importers and exporters
PT Jeco Investment Indonesia <sup>(1)</sup> <i>(Incorporated in and having its principal place of business in Indonesia)</i>	70	70	Investment holding

<sup>(1)</sup> Audited by BDO PLT Member Firms.

<sup>(2)</sup> Wound up/Struck off and did not have any material effects on either the financial performance or the financial position.

- (c) During the financial year ended 30 June 2024:

- (i) The Company subscribed for an additional 3,800,000 ordinary shares in the share capital of LPSB at a price of RM1.00 per share by way of cash subscription.
- (ii) The Company disposed 30% equity interest, representing 162,406,153 shares in SBG for a total consideration of RM17,597,330.
- (iii) AFSB, a wholly owned subsidiary, had repaid RM990,000 cash as capital repayment to the Company.
- (iv) BSSB, a wholly owned subsidiary, had repaid RM10,360,000 cash as capital repayment to the Company.
- (v) DMM, a wholly owned subsidiary, had repaid RM900,000 cash as capital repayment to the Company.
- (vi) PRSB, a wholly owned subsidiary, had repaid RM3,990,000 cash as capital repayment to the Company.



## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

#### 9. INVESTMENTS IN SUBSIDIARIES (continued)

(c) During the financial year ended 30 June 2024: (continued)

(vii) The members' voluntary winding-up of ECW and AISB had been completed.

The loss on dissolution of ECW and AISB during the financial year was as follows:

	ECW RM'000	AISB RM'000
<b>Group</b>		
Consideration received	30	31
Net assets deconsolidated	(30)	(31)
Loss on dissolution	-	-
<b>Company</b>		
Consideration received	30	31
Cost of investment, net of impairment losses	(60)	(55)
Loss on dissolution	(30)	(24)

(viii) An application for deregistration of Active Franchise Pte. Ltd. from the register of the Accounting and Corporate Regulatory Authority ("ACRA"), Singapore had been approved and completed during the current financial year.

(d) In the previous financial year:

- (i) the Company subscribed for an additional 31,957,000 ordinary shares in the share capital of MAC at a price of RM1.00 per share by way of cash subscription.
- (ii) amount owing by a subsidiary namely MAC amounting to RM8,565,000 had been capitalised as additional cost of investment of the Company in the subsidiary.
- (iii) VASB acquired 4,900 ordinary shares representing a 49% equity interest in KSB for a total consideration of RM4,900. As a result, KSB became a wholly-owned subsidiary of VASB. Subsequently, VASB disposed its entire equity interest in KSB to the Company for a total consideration of RM25,151, resulted KSB to become a wholly-owned subsidiary of the Company.
- (iv) the Company received total distributions of RM1,090,000 in cash from ECW under its members' voluntary winding-up.
- (v) the Company received total distributions of RM470,000 in cash from AISB under its members' voluntary winding-up.

(e) The management has assessed whether there were any indicators of impairment during the financial year. Management has performed impairment assessments and the recoverable amounts are determined based on the value-in-use of Cash Generating Units ("CGUs").

The carrying amounts of costs of investments in certain subsidiaries which have indication of impairment amounted to RM94,443,000 as at 30 June 2024.

Management has made significant judgements and estimates about the future results and key assumptions applied to cash flow projections of the CGUs in determining the recoverable amount using the value-in-use model. These key assumptions include forecast growth in future revenues and operating profit margins, as well as determining an appropriate pre-tax discount rate and growth rates.

Based on these assumptions, management is of the view that no impairment loss is required in relation to cost of investments in subsidiaries as the recoverable amount determined is higher than the carrying amount of the CGUs.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

**9. INVESTMENTS IN SUBSIDIARIES (continued)**

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

	CBSB	VRD	Jeco Group	SBG	Other individual immaterial subsidiaries*	Total
<b>2024</b>						
NCI percentage of ownership interest and voting interest	32%	25%	30%	30%	-	-
Carrying amount of NCI (RM'000)	4,066	335	25,393	16,682	(349)	46,127
(Loss)/Profit allocated to NCI (RM'000)	(220)	(18)	6,696	(315)	(33)	6,110
Total comprehensive (loss)/income allocated to NCI (RM'000)	(220)	(18)	6,906	(315)	(33)	6,320
<b>2023</b>						
NCI percentage of ownership interest and voting interest	32%	25%	30%	-	-	-
Carrying amount of NCI (RM'000)	4,286	353	23,663	-	(316)	27,986
(Loss)/Profit allocated to NCI (RM'000)	(133)	(74)	7,952	-	(150)	7,595
Total comprehensive (loss)/income allocated to NCI (RM'000)	(133)	(74)	8,907	-	(150)	8,550

\* The NCI of the other subsidiaries of the Group are deemed to be immaterial.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 9. INVESTMENTS IN SUBSIDIARIES (continued)

- (g) 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:

2024	CBSB RM'000	VRD RM'000	Jeco Group RM'000	SBG RM'000
<b>Assets and liabilities</b>				
Non-current assets	51,320	-	71,935	48,141
Current assets	1,700	1,352	88,335	7,861
Non-current liabilities	(39,222)	-	(36,043)	(65)
Current liabilities	(1,514)	(11)	(50,184)	(317)
Net assets	12,284	1,341	74,043	55,620
<b>Results</b>				
Revenue	1,352	-	146,531	8,895
(Loss)/Profit for the financial year	(690)	(70)	22,281	389
Total comprehensive (loss)/income	(690)	(70)	22,801	389
Cash flows from/(used in) operating activities	1,350	(547)	35,970	(1,182)
Cash flows from/(used in) investing activities	29	(563)	8,220	2,028
Cash flows used in financing activities	(3,060)	-	(41,799)	(2,000)
Net (decrease)/increase in cash and cash equivalents	(1681)	(1,110)	2,391	(1,154)
Dividends paid to NCI	-	-	(5,176)	(600)
<b>2023</b>				
	CBSB RM'000	VRD RM'000	Jeco Group RM'000	
<b>Assets and liabilities</b>				
Non-current assets	51,543	-	59,609	
Current assets	3,316	1,419	96,880	
Non-current liabilities	(40,336)	-	(34,264)	
Current liabilities	(1,550)	(8)	(53,718)	
Net assets	12,973	1,411	68,507	
<b>Results</b>				
Revenue	1,218	226	149,322	
(Loss)/Profit for the financial year	(415)	(294)	26,530	
Total comprehensive (loss)/income	(415)	(294)	28,818	
Cash flows from operating activities	1,047	20	8,794	
Cash flows from investing activities	46	11	1,495	
Cash flows used in financing activities	(2,145)	-	(9,557)	
Net (decrease)/increase in cash and cash equivalents	(1,052)	31	732	
Dividends paid to NCI	-	-	(5,381)	

**NOTES TO THE FINANCIAL STATEMENTS**  
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**10. INTERESTS IN ASSOCIATES**

	Group	
	2024 RM'000	2023 RM'000
Unquoted equity shares - at cost	4,234	4,234
Share of post-acquisition profit, net of dividends received	1,308	1,160
Loan to an associate <sup>(1)</sup>	4,855	4,855
	10,397	10,249
Less: Impairment losses	(9,089)	(9,089)
	1,308	1,160

- <sup>(1)</sup> In the previous financial years, the Group provided a loan to an associate of which the fair value at initial recognition based on the 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.
- (a) Investments in associates are measured at cost less impairment losses in the separate financial statements and accounted for using equity method in the consolidated financial statements.
- (b) The financial year end of the associates is conterminous with those of the Group. The most recent available financial statements of the associate are used by the Group in applying the equity method of accounting. The share of profit of the associates of the Group for the financial years ended 30 June 2024 and 30 June 2023 are based on the unaudited financial statements of the associates.
- (c) The details of the associates, incorporated in Malaysia except otherwise stated, are as follows:

Name of company	Effective equity interest		Principal activities
	2024 %	2023 %	
<b>Associate of Bonia Corporation Berhad</b>			
One Seafood F&B Sdn. Bhd. ("OSF&B") <sup>(1) &amp; (2)</sup>	30	30	Managing food and beverage business
<b>Associates of Jeco (Pte) Limited</b>			
Braun Verwaltungs-GmbH ("BVG") <sup>(3)</sup> <i>(Incorporated in Germany)</i>	34.3	34.3	Marketing and distribution of fashionable leather goods
Braun GmbH & Co. KG ("BBKG") <sup>(3)</sup> <i>(Incorporated in Germany)</i>	34.3	34.3	Marketing and distribution of fashionable leather goods

- <sup>(1)</sup> Audited by firms of auditors other than BDO PLT.
- <sup>(2)</sup> Equity accounted based on management accounts for the financial year ended 30 June 2024.
- <sup>(3)</sup> Equity accounted based on management accounts for the financial year ended 30 June 2024 as these associates are not required to be audited.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 10. INTERESTS IN ASSOCIATES (continued)

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

The summarised financial information of the associates are as follows:

2024	BVG and BBKG RM'000	OSF&B RM'000	Total RM'000
<b>Assets</b>			
Non-current assets	5,502	2,629	8,131
Current assets	12,879	3,924	16,803
Total assets	18,381	6,553	24,934
<b>Liabilities</b>			
Non-current liabilities	21,354	258	21,612
Current liabilities	1,245	397	1,642
Total liabilities	22,599	655	23,254
<b>Results</b>			
Revenue	42,678	16,011	58,689
Profit for the financial year	666	1,492	2,158
<b>2023</b>			
<b>Assets</b>			
Non-current assets	4,680	2,694	7,374
Current assets	13,232	3,348	16,580
Total assets	17,912	6,042	23,954
<b>Liabilities</b>			
Non-current liabilities	17,262	346	17,608
Current liabilities	5,578	283	5,861
Total liabilities	22,840	629	23,469
<b>Results</b>			
Revenue	38,571	13,646	52,217
(Loss)/Profit for the financial year	(1,194)	2,619	1,425

**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

**10. INTERESTS IN ASSOCIATES (continued)**

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

<b>2024</b>	<b>BVG and BBKG RM'000</b>	<b>OSF&amp;B RM'000</b>	<b>Total RM'000</b>
Share of net (liabilities)/assets of the Group	(1,447)	1,769	322
Loan to an associate	4,855	-	4,855
Goodwill	9,829	-	9,829
Gain on dilution of interest	-	(461)	(461)
Unrecognised share of other reserves	(5,489)	-	(5,489)
Unrecognised share of losses of associates	1,961	-	1,961
	11,156	(461)	10,695
Less: Share by non-controlling interests	(620)	-	(620)
	10,536	(461)	10,075
	9,089	1,308	10,397
Less: Impairment losses	(9,089)	-	(9,089)
Carrying amount in the statements of financial position	-	1,308	1,308
<b>Share of results of the Group</b>			
Share of profit of the Group	-	448	448
Share of other comprehensive income of the Group	-	-	-
Share of total comprehensive income of the Group	-	448	448
<b>Other information</b>			
Dividend received	-	300	300

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 10. INTERESTS IN ASSOCIATES (continued)

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

2023	BVG and BBKG RM'000	OSF&B RM'000	Total RM'000
Share of net (liabilities)/assets of the Group	(1,690)	1,621	(69)
Loan to an associate	4,855	-	4,855
Goodwill	9,726	-	9,726
Gain on dilution of interest	-	(461)	(461)
Unrecognised share of other reserves	(5,340)	-	(5,340)
Unrecognised share of losses of associates	2,262	-	2,262
	11,503	(461)	11,042
Less: Share by non-controlling interests	(724)	-	(724)
	10,779	(461)	10,318
	9,089	1,160	10,249
Less: Impairment losses	(9,089)	-	(9,089)
Carrying amount in the statements of financial position	-	1,160	1,160
<b>Share of results of the Group</b>			
Share of profit of the Group	-	786	786
Share of other comprehensive income of the Group	-	-	-
Share of total comprehensive income of the Group	-	786	786
<b>Other information</b>			
Dividend received	-	120	120

- (f) During the financial year, the cumulative unrecognised share of losses of associates amounted to RM1,961,000 (2023: RM2,262,000), and the net increase in unrecognised share of gain amounted to RM301,000 (2023: net decrease of RM738,000). 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.

### 11. OTHER INVESTMENTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Financial assets at fair value through profit or loss</b>				
- Club memberships	1,047	1,073	-	-
- Quoted bonds outside Malaysia	1,726	1,693	-	-
- Unquoted shares in Malaysia	150	-	150	-
	2,923	2,766	150	-

Information on the fair value hierarchy is disclosed in Note 33(d) to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**12. TRADE AND OTHER RECEIVABLES**

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Non-current assets</b>					
<b>Other receivables</b>					
Third parties		1,634	5,381	-	-
Amounts owing by subsidiaries	(b)	-	-	1,944	2,588
		1,634	5,381	1,944	2,588
Less: Impairment losses					
- third parties		(1,634)	(5,381)	-	-
- subsidiaries		-	-	(349)	(446)
		(1,634)	(5,381)	(349)	(446)
		-	-	1,595	2,142
<b>Current assets</b>					
<b>Trade receivables</b>					
Third parties		53,389	52,100	-	-
Amount owing by an associate		132	101	-	-
	(c)	53,521	52,201	-	-
Less: Impairment losses					
- third parties		(23,777)	(21,518)	-	-
		29,744	30,683	-	-
<b>Other receivables and deposits</b>					
Amounts owing by subsidiaries	(e)	-	-	1,085	1,012
Amounts owing by associates	(f)	1,775	1,757	-	-
Other receivables		3,442	5,066	-	5
Deposits		12,383	13,034	-	9
		17,600	19,857	1,085	1,026
Less: Impairment losses					
- subsidiaries		-	-	(167)	(155)
- associates		(1,775)	(1,757)	-	-
- other receivables		(131)	(248)	-	-
- deposits		(158)	(78)	-	-
		(2,064)	(2,083)	(167)	(155)
		15,536	17,774	918	871
<b>Total trade and other receivables</b>		45,280	48,457	918	871
<b>Prepayments</b>		11,009	6,675	-	-
<b>Total trade and other receivables (current)</b>		56,289	55,132	918	871
<b>Total trade and other receivables (non-current and current)</b>		56,289	55,132	2,513	3,013



## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 12. TRADE AND OTHER RECEIVABLES (continued)

- (a) Trade and other receivables, net of prepayments are classified as financial assets measured at amortised cost.
- (b) Non-current amounts owing by subsidiaries of RM1,944,000 (2023: RM2,588,000) represent the present value of advances of funds which are unsecured, repayable within the next five (5) years (2023: four (4) years) in cash and cash equivalents and bear interest at 4.3% (2023: 4.3%) per annum.
- (c) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group range from 30 to 120 days (2023: 30 to 120 days). They are recognised at their original invoice amounts, which represent their fair values on initial recognition.
- (d) Included in current other receivables were amounts owing from an exclusive authorised dealer of "Braun Buffel" brand of RM1,011,000 in the previous financial year. The amount received from the exclusive authorised dealer carried interest at rate of 7.5% per annum and was payable through instalments till 2023.
- (e) Current amounts owing by subsidiaries represent advances and payments made on behalf, which are unsecured, repayable within the next twelve (12) months in cash and cash equivalents and interest-free except for an amount of RM913,000 (2023: RM900,000) owing by a subsidiary which bears interest at 4.3% (2023: 4.3%) per annum.
- (f) Non-trade amounts owing by associates represent advances and payments made on behalf, which are unsecured, interest-free and have been fully impaired due to the associates' deficit in total equity position.
- (g) The currency exposure profile of receivables (excluding prepayments) are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Ringgit Malaysia	22,185	21,092	2,513	3,013
Singapore Dollar	21,259	25,043	-	-
Vietnamese Dong	62	65	-	-
Indonesian Rupiah	428	312	-	-
Euro	312	108	-	-
Others	1,034	1,837	-	-
	45,280	48,457	2,513	3,013

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

Group 2024	Gross carrying amount RM'000	Total allowance RM'000	Balance as at 30.6.2024 RM'000
Current	11,848	(330)	11,518
Past due:			
1 to 30 days	5,998	(19)	5,979
31 to 60 days	1,566	(42)	1,524
61 to 90 days	475	(35)	440
91 to 120 days	15,072	(5,466)	9,606
More than 120 days	3,406	(2,729)	677
	26,517	(8,291)	18,226
<b>Credit impaired</b>			
Individually impaired	15,156	(15,156)	-
	53,521	(23,777)	29,744

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 12. TRADE AND OTHER RECEIVABLES (continued)

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

Group 2023	Gross carrying amount RM'000	Total allowance RM'000	Balance as at 30.6.2023 RM'000
Current	11,408	(148)	11,260
Past due:			
1 to 30 days	7,042	(68)	6,974
31 to 60 days	2,348	(106)	2,242
61 to 90 days	1,334	(53)	1,281
91 to 120 days	9,169	(433)	8,736
More than 120 days	4,469	(4,279)	190
	24,362	(4,939)	19,423
<b>Credit impaired</b>			
Individually impaired	16,431	(16,431)	-
	52,201	(21,518)	30,683

(i) Impairment for trade receivables that do not contain a significant financing component is recognised based on the simplified approach within MFRS 9 using the lifetime expected credit losses ("ECL").

Lifetime expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The estimate of expected cash shortfall shall reflect the cash flows expected from collateral and other credit enhancements that are part of the contractual terms. The shortfall is then discounted at an approximation to the asset's original effective interest rate of the asset.

The Group considers historical credit loss experience and observable data such as current changes and future forecasts in economic conditions of the Group's industry to estimate the amount of expected impairment loss. The methodology and assumptions, including any forecasts of future economic conditions, are reviewed regularly.

In measuring the expected credit losses on trade receivables, the probability of non-payment by the trade receivables is adjusted by forward-looking information and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the statements of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectible, the gross carrying value of the asset would be written off against the associated impairment.

Recoverability of trade receivables requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

#### 12. TRADE AND OTHER RECEIVABLES (continued)

(j) The reconciliation of movements in the impairment losses accounts for trade receivables is as follows:

Group	Lifetime ECL allowance RM'000	Credit impaired RM'000	Total allowance RM'000
<b>At 1 July 2023</b>	5,087	16,431	21,518
Charge for the financial year (Note 27)	4,249	114	4,363
Reversal of impairment loss (Note 27)	(430)	(43)	(473)
Written off	-	(663)	(663)
Exchange differences	(285)	(683)	(968)
<b>At 30 June 2024</b>	8,621	15,156	23,777
<b>At 1 July 2022</b>	6,974	15,041	22,015
Charge for the financial year (Note 27)	636	849	1,485
Reversal of impairment loss (Note 27)	(2,895)	-	(2,895)
Written off	-	(4)	(4)
Reclassification from assets held for distribution	137	-	137
Exchange differences	235	545	780
<b>At 30 June 2023</b>	5,087	16,431	21,518

Credit impaired refers to individually determined debtors who are in significant financial difficulties and have defaulted on payments to be impaired as at the end of the reporting period.

The Group considers any trade receivables having financial difficulty or in default with significant balances outstanding for more than twelve (12) months as deemed credit impaired and assesses for their risk of loss individually.

The Group has identified the Gross Domestic Product ("GDP"), Overnight Policy Interest Rate ("OPR"), retail sales growth, unemployment rate and inflation rate, as the key macroeconomic factors in determining the lifetime expected credit loss for trade receivables.

(k) The credit risk exposures and concentration relating to trade receivables of the Group as at the end of the reporting period are summarised as follows:

	Group	
	2024 RM'000	2023 RM'000
Maximum exposure	53,521	52,201
Collateral obtained	-	-
Impairment losses	(23,777)	(21,518)
Net exposure to credit risk	29,744	30,683

During the financial year, the Group did not renegotiate the terms of any trade receivables.

**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

**12. TRADE AND OTHER RECEIVABLES (continued)**

- (l) Impairment for other receivables and deposits are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve-month ("12-month") expected credit losses are recognised while interest income is recognised on a gross basis. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. At the end of the reporting period, the Group assesses whether there has been a significant increase in credit risk for financial assets by comparing the risk for default occurring over the expected life with the risk of default since initial recognition. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the twelve (12) months after the end of the reporting period. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group defines significant increase in credit risk based on the operating performance of the receivables, changes in contractual terms, payment trends and past due information. A significant increase in credit risk is presumed if contractual payments are more than 120 days past due.

The probability of non-payment by other receivables and deposits are adjusted by forward-looking information and multiplied by the amount of the expected loss arising from default to determine the 12-month or lifetime expected credit loss for other receivables, amounts owing by subsidiaries, amounts owing by related parties and deposits. The Group has identified the Gross Domestic Product ("GDP"), Overnight Policy Interest Rate ("OPR"), retail sales growth, unemployment rate and inflation rate as the key macroeconomic factors of the forward-looking information.

It requires management to exercise significant judgement in determining the probability of default by other receivables and deposits, appropriate forward-looking information and significant increase in credit risk.

- (m) The carrying amount of the financial asset is reduced through the use of an allowance for impairment loss account and the amount of the impairment loss is recognised in profit or loss. When a financial asset becomes uncollectible, it is written off against the allowance for impairment loss account.
- (n) The reconciliation of movements in the impairment losses accounts for other receivables, amounts owing by subsidiaries and amounts owing by related parties are as follows:

<b>Group</b>	<b>12-month ECL RM'000</b>	<b>Lifetime ECL - not credit impaired RM'000</b>	<b>Lifetime ECL - credit impaired RM'000</b>	<b>Total RM'000</b>
<b>At 1 July 2023</b>	74	42	7,348	7,464
Reversal of impairment loss (Note 27)	-	(25)	(3,814)	(3,839)
Written off	-	(12)	-	(12)
Exchange differences	-	-	85	85
<b>At 30 June 2024</b>	74	5	3,619	3,698

## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

#### 12. TRADE AND OTHER RECEIVABLES (continued)

- (n) The reconciliation of movements in the impairment losses on other receivables, amounts owing by subsidiaries and amounts owing by related parties are as follows: (continued)

Group	12-month ECL RM'000	Lifetime ECL - not credit impaired RM'000	Lifetime ECL - credit impaired RM'000	Total RM'000
<b>At 1 July 2022</b>	59	40	6,825	6,924
Charge for the financial year (Note 27)	-	-	1	1
Reversal of impairment loss (Note 27)	(4)	(1)	(35)	(40)
Reclassification from assets held for distribution	19	-	-	19
Exchange differences	-	3	557	560
<b>At 30 June 2023</b>	74	42	7,348	7,464

Company	Lifetime ECL - not credit impaired RM'000	Lifetime ECL - credit impaired RM'000	Total RM'000
<b>At 1 July 2023</b>	601	-	601
Reversal of impairment loss (Note 27)	(85)	-	(85)
<b>At 30 June 2024</b>	516	-	516
<b>At 1 July 2022</b>	4,276	-	4,276
Reversal of impairment loss (Note 27)	(3,675)	-	(3,675)
<b>At 30 June 2023</b>	601	-	601

- (o) Information on financial risks of trade and other receivables is disclosed in Note 34 to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

**13. DEFERRED TAX**

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

	<b>Group</b>		<b>Company</b>	
	<b>2024 RM'000</b>	<b>2023 RM'000</b>	<b>2024 RM'000</b>	<b>2023 RM'000</b>
Balance as at 1 July	4,593	3,680	1	1
Recognised in profit or loss (Note 28)	(2,724)	702	(1)	-
Reclassification from disposal group held for distribution	-	95	-	-
Currency translation differences	19	116	-	-
Balance as at 30 June	1,888	4,593	-	1
Presented after appropriate offsetting:				
Deferred tax assets, net	(3,470)	(1,115)	-	-
Deferred tax liabilities, net	5,358	5,708	-	1
	1,888	4,593	-	1

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

**Deferred tax liabilities of the Group**

	<b>Property, plant and equipment RM'000</b>	<b>Intangible assets RM'000</b>	<b>Lease liabilities RM'000</b>	<b>Other taxable temporary differences RM'000</b>	<b>Off- setting RM'000</b>	<b>Total RM'000</b>
At 1 July 2023	2,965	3,185	(110)	(327)	(5)	5,708
Recognised in profit or loss	429	-	168	(975)	-	(378)
Currency translation differences	14	-	(2)	11	5	28
At 30 June 2024	3,408	3,185	56	(1,291)	-	5,358
At 1 July 2022	3,119	3,597	14	(1,181)	9	5,558
Recognised in profit or loss	(414)	(412)	(137)	866	-	(97)
Reclassification from disposal group held for distribution	138	-	22	(65)	-	95
Currency translation differences	122	-	(9)	53	(14)	152
At 30 June 2023	2,965	3,185	(110)	(327)	(5)	5,708

## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

### 13. DEFERRED TAX (continued)

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

#### **Deferred tax assets of the Group**

	Property, plant and equipment RM'000	Payables RM'000	Lease liabilities RM'000	Other deductible temporary differences RM'000	Off- setting RM'000	Total RM'000
At 1 July 2023	48	246	230	596	(5)	1,115
Recognised in profit or loss	(528)	167	420	2,286	-	2,345
Currency translation differences	1	-	3	1	5	10
At 30 June 2024	(479)	413	653	2,883	-	3,470
At 1 July 2022	91	1,076	330	372	9	1,878
Recognised in profit or loss	(49)	(836)	(121)	207	-	(799)
Currency translation differences	6	6	21	17	(14)	36
At 30 June 2023	48	246	230	596	(5)	1,115

#### **Deferred tax liabilities of the Company**

	Taxable temporary differences RM'000	Off-setting RM'000	Total RM'000
At 1 July 2023	1	-	1
Recognised in profit or loss	(1)	-	(1)
At 30 June 2024	-	-	-
At 1 July 2022/30 June 2023	1	-	1

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 13. DEFERRED TAX (continued)

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

	Group	
	2024 RM'000	2023 RM'000
Unused tax losses:		
- Malaysian entities		
- Expires by 30 June 2028	2,974	4,256
- Expires by 30 June 2029	8,678	8,678
- Expires by 30 June 2030	1,327	1,327
- Expires by 30 June 2031	1,385	1,385
- Expires by 30 June 2032	1,736	1,736
- Expires by 30 June 2033	1,257	1,257
- Expires by 30 June 2034	1,497	-
- Foreign entity	-	22
Unabsorbed capital allowances	8,305	6,859
Other deductible temporary differences	12,224	11,265
	39,383	36,785

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.

For the Malaysian entities, any unused tax losses shall be deductible for a maximum period of ten (10) consecutive years of assessment immediately following that year of assessment. Any amount which is not deducted at the end of the period of ten (10) years of assessment shall be disregarded.

The use of tax losses of subsidiaries in other countries is subject to the agreement of the tax authorities and the tax legislation of the respective countries in which the subsidiaries operate.

### 14. INVENTORIES

	Group	
	2024 RM'000	2023 RM'000
Raw materials	8,716	9,449
Work-in-progress	780	1,279
Finished goods	82,164	83,246
Consumables	167	166
	91,827	94,140

- (a) Inventories are stated at the lower of cost and net realisable value.
- (b) Cost is determined using the weighted average method. Cost of consumables and raw materials comprises all costs of purchase plus other costs incurred in bringing the inventories to their present location and condition. The cost of work-in-progress and finished goods includes the cost of raw materials, direct labour, other direct cost and a proportion of production overheads based on normal operating capacity of the production facilities.



## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

#### 14. INVENTORIES (continued)

- (c) Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.
- (d) Inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management exercises significant judgements in estimating the net realisable value of the inventories. In estimating the net realisable value of inventories, management considers the inventories' ageing, fashion pattern, current economic conditions, market demand, expectation of future prices and changes in customer preference of the respective inventories.
- (e) During the financial year, inventories of the Group recognised as cost of sales amounted to RM162,166,000 (2023: RM164,767,000).
- (f) A write off of inventories amounting to RM5,000 (2023: RM Nil) was made by the Group during the financial year.

#### 15. SHORT TERM FUNDS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Fair value through profit or loss</b>				
Short term funds	54,765	30,510	26,803	4,458

- (a) Short term funds are classified as fair value through profit or loss pursuant to MFRS 9 *Financial Instruments*.
- (b) Short term funds of the Group and of the Company represent investments in highly liquid money market instruments, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.
- (c) The fair values of short term funds are categorised as Level 1 in the fair value hierarchy. The fair values of short term funds are determined by reference to the quoted prices at the close of business at the end of each reporting period. There was no transfer between levels in the fair value hierarchy during the financial year. The short term funds of the Group and of the Company are denominated in RM.
- (d) Information on financial risks of short term funds is disclosed in Note 34 to the financial statements.

#### 16. CASH AND BANK BALANCES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	41,822	59,132	2,767	232
Deposits with licensed banks	46,772	53,322	-	-
	88,594	112,454	2,767	232

- (a) Cash and bank balances are classified as financial assets measured at amortised cost.
- (b) Included in deposits with licensed banks of the Group is an amount of RM1,213,000 (2023: RM1,179,000) pledged to a licensed bank as security for banking facility granted to a subsidiary as disclosed in Notes 20(c)(iii) and 21(b) to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 16. CASH AND BANK BALANCES (continued)

(c) The currency exposure profile of cash and bank balances are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Ringgit Malaysia	40,284	56,737	2,763	228
Chinese Renminbi	49	6,796	-	-
Hong Kong Dollar	2,007	3,685	-	-
Indonesian Rupiah	240	453	-	-
Singapore Dollar	44,451	42,727	-	-
United States Dollar	1,464	1,894	4	4
Vietnamese Dong	27	52	-	-
Others	72	110	-	-
	88,594	112,454	2,767	232

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

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances		41,822	59,132	2,767	232
Deposits with licensed banks		46,772	53,322	-	-
Short term funds	15	54,765	30,510	26,803	4,458
As reported in statements of financial position		143,359	142,964	29,570	4,690
Less:					
Deposits pledged with licensed banks		(1,213)	(1,179)	-	-
Deposits with maturity period more than three (3) months		(12,264)	-	-	-
As reported in statements of cash flows		129,882	141,785	29,570	4,690

(e) No expected credit loss is recognised arising from cash at banks and deposits with financial institutions because the probability of default by these financial institutions is negligible.

(f) Information on financial risks of cash and bank balances is disclosed in Note 34 to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

#### 17. SHARE CAPITAL

	Group and Company			
	2024		2023	
	Number of shares '000	RM'000	Number of shares '000	RM'000
<b>Ordinary shares:</b>				
Issued and fully paid	201,572	201,572	201,572	201,572

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 Constitution of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

#### 18. RESERVES

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Exchange translation reserve	(a)	26,844	26,993	-	-
Revaluation reserve	(b)	184	184	-	-
Treasury shares	(c)	(485)	(485)	(485)	(485)
		26,543	26,692	(485)	(485)
Retained earnings		209,048	199,354	102,990	90,083
		235,591	226,046	102,505	89,598

(a) 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.

(b) Revaluation reserve

The revaluation reserve arises from the revaluation surplus of properties of the subsidiaries upon transfer from property, plant and equipment to investment properties.

(c) Treasury shares

As at 30 June 2024, the Company held 576,719 (2023: 576,719) treasury shares out of its total issued shares of 201,571,842 (2023: 201,571,842) ordinary shares. Such treasury shares are recorded at carrying amount of RM485,000 (2023: RM485,000).

There were no share re-issuance, cancellations, resale and buybacks for the current and previous financial year.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**18. RESERVES (continued)**

(c) Treasury shares (continued)

Pursuant to Section 127 of the Companies Act 2016, the Directors of the Company may resolve:

- (i) to cancel the shares so purchased;
- (ii) to retain the shares so purchased as treasury shares for distribution as “share dividends” to the shareholders, or resell any of the shares so purchased on Bursa Malaysia Securities Berhad in accordance with the relevant rules of Bursa Malaysia Securities Berhad, or transfer any of the shares so purchased for the purposes of or under an employees’ share schedule, or transfer any of the shares so purchased as purchase consideration, or sell, transfer or otherwise use any of the shares so purchased for such other purposes as the Minister may by order prescribe; or
- (iii) to retain part of the shares so purchased as treasury shares and cancel the remainder.

While the shares so purchased are held as treasury shares, the rights attached to the treasury shares in relation to voting, dividends and participation in any other distributions or otherwise are suspended and the treasury shares shall not be taken into account in calculating the number or percentage of shares or a class of shares in the Company for any purposes including, without limitation to the generality of the provisions of any law or requirements of the Constitution of the Company or the listing rules of Bursa Malaysia Securities Berhad on substantial shareholdings, takeovers, notices, the requisitioning of meetings, the quorum and the result of a vote on a resolution at a meeting of shareholders.

**19. TRADE AND OTHER PAYABLES**

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Non-current liabilities</b>					
<b>Other payable</b>					
Third party	(b)	2,123	5,796	-	-
<b>Current liabilities</b>					
<b>Trade payables</b>					
Third parties	(c)	6,533	6,499	-	-
<b>Other payables, deposits and accruals</b>					
Amounts owing to subsidiaries	(d)	-	-	-	9,007
Other payables		5,767	8,080	56	59
Deposits		950	2,544	-	1,760
Accruals		12,620	12,109	567	662
		19,337	22,733	623	11,488
<b>Total trade and other payables (current)</b>		25,870	29,232	623	11,488
<b>Total trade and other payables (current and non-current)</b>		27,993	35,028	623	11,488

## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

#### 19. TRADE AND OTHER PAYABLES (continued)

- (a) Trade and other payables are classified as financial liabilities measured at amortised cost.
- (b) Non-current other payable represents loans from a shareholder of a subsidiary for the acquisition of intellectual property rights, which are unsecured, bear interest at 2% (2023: 2%) per annum and are repayable on or before 30 August 2025.
- (c) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 90 days (2023: 30 to 90 days).
- (d) In the previous financial year, amounts owing to subsidiaries represented advances and payments made on behalf, which were unsecured, interest-free and repayable within the next twelve (12) months in cash and cash equivalents.
- (e) Information on financial risks of trade and other payables is disclosed in Note 34 to the financial statements.
- (f) The currency exposure profile of payables are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Ringgit Malaysia	17,193	18,712	623	11,488
Chinese Renminbi	1,841	346	-	-
Euro	719	-	-	-
Hong Kong Dollar	523	345	-	-
Indonesian Rupiah	68	82	-	-
Singapore Dollar	6,751	13,673	-	-
United States Dollar	867	1,837	-	-
Vietnamese Dong	31	33	-	-
	27,993	35,028	623	11,488

#### 20. BORROWINGS

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Current liabilities</b>					
<b>Conventional financing facilities - Secured</b>					
Bankers' acceptances		1,904	-	-	-
Foreign currency trade loan		3,139	-	-	-
Term loans	21	2,996	2,685	-	-
<b>Islamic financing facilities - Secured</b>					
Revolving credit		4,000	8,400	-	-
Terms financing-i	21	1,794	1,924	-	-
Total secured borrowings		13,833	13,009	-	-

**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

**20. BORROWINGS (continued)**

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Current liabilities (continued)</b>					
<b>Conventional financing facilities - Unsecured</b>					
Bankers' acceptances		-	2,754	-	-
Trust receipts		-	6,639	-	-
		-	9,393	-	-
Financial guarantee contracts		-	-	-*	-
Total unsecured borrowings		-	9,393	-	-
Total		13,833	22,402	-	-
<b>Non-current liabilities</b>					
<b>Conventional financing facilities - Secured</b>					
Term loans		8,434	11,271	-	-
<b>Islamic financing facilities - Secured</b>					
Terms financing-i		54,647	56,327	-	-
Total	21	63,081	67,598	-	-
<b>Total borrowings</b>					
Bankers' acceptances		1,904	2,754	-	-
Foreign currency trade loan		3,139	-	-	-
Revolving credit		4,000	8,400	-	-
Term loans and terms financing-i	21	67,871	72,207	-	-
Trust receipts		-	6,639	-	-
Financial guarantee contracts		-	-	-*	-
Total		76,914	90,000	-	-

\* Amount is negligible.

- (a) Borrowings are classified as financial liabilities measured at amortised cost.
- (b) Financial guarantee contracts issued by the Company are those contracts that require payments to be made to reimburse the holders for losses they incur because the specified debtors fails to make payments when due in accordance with the terms of the debt instruments. Financial guarantee contracts issued are initially measured at fair value. Subsequently, they are measured at higher of:
- (i) the amount of the loss allowance; and
  - (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15 *Revenue from Contracts with Customers*.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 20. BORROWINGS (continued)

(b) (continued)

The financial guarantee contracts have not been recognised since the fair value on initial recognition was not material as the guarantees are provided as credit enhancements to the secured borrowings of the subsidiaries.

(c) Certain term loans, foreign currency trade loan, revolving credit and bankers' acceptances of the Group are secured by the following:

- (i) a corporate guarantee by the Company;
- (ii) first fixed charges over certain lands and buildings of subsidiaries as disclosed in Note 5 to the financial statements; and
- (iii) fixed deposits of a subsidiary as disclosed in Note 16(b) to the financial statements.

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

	Group	
	2024 RM'000	2023 RM'000
Ringgit Malaysia	69,685	77,322
Chinese Renminbi	3,139	-
Singapore Dollar	4,090	12,678
	76,914	90,000

(e) Information on financial risks of borrowings is disclosed in Note 34 to the financial statements.

(f) Reconciliation of liabilities arising from financing activities:

Group	Bankers' acceptances RM'000	Foreign currency trade loan RM'000	Revolving credit RM'000	Term loans and terms financing-i RM'000	Trust receipts RM'000	Total RM'000
At 1 July 2023	2,754	-	8,400	72,207	6,639	90,000
Cash flows:						
- Net of (repayments)/ drawdowns of borrowings	(1,092)	3,139	(4,647)	(7,385)	(6,967)	(16,952)
Non-cash flows:						
- Unwinding of interest	242	-	247	2,980	241	3,710
- Effect of foreign exchange	-	-	-	69	87	156
At 30 June 2024	1,904	3,139	4,000	67,871	-	76,914

**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

**20. BORROWINGS (continued)**

(f) Reconciliation of liabilities arising from financing activities: (continued)

<b>Group</b>	<b>Bankers' acceptances RM'000</b>	<b>Revolving credit RM'000</b>	<b>Term loans and terms financing-i RM'000</b>	<b>Trust receipts RM'000</b>	<b>Total RM'000</b>
At 1 July 2022	350	-	75,335	4,670	80,355
Cash flows:					
- Net of (repayments)/drawdowns of borrowings	2,280	8,305	(6,579)	1,218	5,224
Non-cash flows:					
- Unwinding of interest	124	95	2,883	293	3,395
- Effect of foreign exchange	-	-	568	458	1,026
At 30 June 2023	2,754	8,400	72,207	6,639	90,000

**21. TERM LOANS AND TERMS FINANCING-I ("TF-I")**

	<b>Group</b>	
	<b>2024 RM'000</b>	<b>2023 RM'000</b>
<b>Term loans - Secured</b>		
Term loan I is repayable as follows:		
- 240 equal monthly instalments of RM64,878 each commencing November 2014	6,681	7,205
Term loan II is repayable as follows:		
- 240 monthly instalments of RM1,688 each commencing April 2015	172	186
Term loan III is repayable as follows:		
- 240 monthly instalments of RM2,396 each commencing April 2015	244	263
Term loan IV is repayable as follows:		
- 240 monthly instalments of RM2,396 each commencing April 2015	244	263
Term loan V is repayable as follows:		
- 36 monthly instalments of SGD11,111 each commencing August 2020		
- Final instalment of SGD11,115 in July 2023	-	38
Term loan VI is repayable as follows:		
- 48 monthly instalments of SGD52,083 each commencing April 2022		
- Final instalment of SGD52,083 in March 2026	4,089	6,001
	<b>11,430</b>	<b>13,956</b>



## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 21. TERM LOANS AND TERMS FINANCING-I (“TF-I”) (continued)

	Group	
	2024 RM'000	2023 RM'000
(continued)		
<b>Terms Financing-I (“TF-I”) - Secured</b>		
TF-I II is repayable as follows:		
- 24 equal monthly instalments of RM154,216 each commencing January 2021		
- 36 equal monthly instalments of RM220,308 each commencing January 2023		
- 60 equal monthly instalments of RM308,431 each commencing January 2026		
- 60 equal monthly instalments of RM378,930 each commencing January 2031		
- Final instalment of RM378,930 in December 2035	40,428	41,662
TF-I III is repayable as follows:		
- 240 equal monthly instalments of RM94,452 each commencing September 2022	16,013	16,589
	56,441	58,251
	67,871	72,207

	Group	
	2024 RM'000	2023 RM'000
<b>Secured</b>		
Repayable as follows:		
<b>Current liabilities</b>		
- not later than one (1) year	4,790	4,609
<b>Non-current liabilities</b>		
- later than one (1) year but not later than five (5) years	15,794	17,619
- later than five (5) years	47,287	49,979
	63,081	67,598
	67,871	72,207

(a) Term loan I, II, III and IV are secured by means of legal charges over certain freehold land and buildings of the Group (Note 5), assignment of rental proceeds and are guaranteed by the Company.

Term loans V and VI are only guaranteed by the Company.

(b) The term financing-I of the Group are Islamic financing facilities that are secured by means of legal charges over certain investment properties of the Group (Note 7), fixed deposits of a subsidiary (Note 16) and are guaranteed by the Company.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**22. PROVISION FOR RESTORATION COSTS**

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current</b>		
Provision for restoration costs	2,037	1,518
<b>Current</b>		
Provision for restoration costs	978	702
	<b>3,015</b>	<b>2,220</b>

- (a) Provisions are recognised when there is a present obligation, legal or constructive, as a result of a past event, and 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.
- (b) Provision for restoration costs comprises estimates of reinstatement costs for stores upon termination of tenancy. Provision for restoration costs is included in the carrying amounts of right-of-use assets.
- (c) A reconciliation of the provision for restoration costs is as follows:

	<b>Note</b>	<b>Group</b>	
		<b>2024</b>	<b>2023</b>
		<b>RM'000</b>	<b>RM'000</b>
Balance as at 1 July 2023/2022		2,220	1,665
Reclassification from disposal group held for distribution		-	271
Recognised in right-of-use assets	6(f)	541	494
Addition/(Reversal) of provision for restoration costs		397	(20)
Recognised in profit or loss	27		
- unwinding of discount on provision for restoration costs		47	135
- (over)/under-provision of restoration costs		(77)	55
Utilised during the financial year		(122)	(437)
Translation adjustments		9	57
Balance as at 30 June 2024/2023		<b>3,015</b>	<b>2,220</b>

**23. CONTRACT LIABILITIES**

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Deferred revenue	20,360	20,776

- (a) Deferred revenue mainly represents advance consideration received from customers in respect of royalty arrangement. Deferred revenue will be recognised as revenue when performance obligations are fulfilled.

## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

#### 23. CONTRACT LIABILITIES (continued)

- (b) Revenue expected to be recognised in future relating to performance obligations that are unsatisfied (or partially satisfied) at the end of the reporting period, are as follows:

	Group	
	2024 RM'000	2023 RM'000
Within one (1) year	1,773	1,970
Between one (1) year and five (5) years	1,794	1,653
More than five (5) years	16,793	17,153
	20,360	20,776

#### 24. CAPITAL COMMITMENTS

	Group	
	2024 RM'000	2023 RM'000
Property, plant and equipment:		
Renovation for boutiques, offices and warehouses		
- Approved and contracted for	3,432	1,288
- Approved but not contracted for	993	-

#### 25. REVENUE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Revenue from contracts with customers</b>				
Sale of goods	406,338	416,755	-	-
Royalty income	4,336	4,512	-	-
	410,674	421,267	-	-
<b>Others</b>				
Rental income	2,991	2,881	-	-
Dividend income from unquoted investments in subsidiaries and an associate	-	-	30,016	49,690
	413,665	424,148	30,016	49,690
<b>Timing of revenue recognition</b>				
Transferred at a point in time	406,338	416,755	-	-
Transferred over time	4,336	4,512	-	-
	410,674	421,267	-	-

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 25. REVENUE (continued)

#### *Disaggregation of revenue from contracts with customers*

Revenue from contracts with customers is disaggregated in the table below by primary geographical markets, major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the reportable segments of the Group.

<b>30 June 2024</b>	<b>Retailing RM'000</b>	<b>Manufacturing RM'000</b>	<b>Total RM'000</b>
<b>Major goods and services</b>			
Sales of goods	406,338	-	406,338
Royalty income	4,336	-	4,336
Total revenue from contracts with customers	410,674	-	410,674
<b>Geographical markets</b>			
Malaysia	270,950	-	270,950
Singapore	115,460	-	115,460
Indonesia	14,400	-	14,400
Others	9,864	-	9,864
Total revenue from contracts with customers	410,674	-	410,674
<b>Timing of revenue recognition</b>			
Transferred at a point in time	406,338	-	406,338
Transferred over time	4,336	-	4,336
Total revenue from contracts with customers	410,674	-	410,674
<b>30 June 2023</b>			
<b>Major goods and services</b>			
Sales of goods	416,750	5	416,755
Royalty income	4,512	-	4,512
Total revenue from contracts with customers	421,262	5	421,267
<b>Geographical markets</b>			
Malaysia	261,324	5	261,329
Singapore	132,212	-	132,212
Indonesia	20,130	-	20,130
Others	7,596	-	7,596
Total revenue from contracts with customers	421,262	5	421,267
<b>Timing of revenue recognition</b>			
Transferred at a point in time	416,750	5	416,755
Transferred over time	4,512	-	4,512
Total revenue from contracts with customers	421,262	5	421,267

## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

#### 25. REVENUE (continued)

(a) Sale of goods

Revenue from sales of goods is recognised at a point in time when the goods have been transferred to the customer and coincides with the delivery of goods and acceptance by customers.

There is no significant financing component in the revenue arising from sales of products and services rendered as the products and services are made on normal credit terms not exceeding twelve (12) months.

(b) Royalty income

Royalty income is recognised over the period of the respective royalty arrangement.

(c) Rental income

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

(d) Dividend income

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

(e) Management fee

Management fee is recognised at a point in time when management services are rendered and accepted by subsidiaries, which have been fully eliminated at Group level.

(f) Revenue from contracts with customers recognised by the Group during the financial year included RM1,938,000 (2023: RM4,175,000) that were included in contract liabilities at the beginning of the financial year.

#### 26. COST OF SALES

	Group	
	2024 RM'000	2023 RM'000
Inventories sold	162,166	164,767

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 27. PROFIT BEFORE TAX

Other than those disclosed elsewhere in the financial statements, profit before tax is arrived at:

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>After charging:</b>					
Auditors' remuneration:					
- Statutory					
- Auditors of the Company					
- current year		312	312	65	65
- Affiliate of the Company's auditors					
- current year		444	418	-	-
- over-provision in prior years		(3)	(3)	-	-
- Non-statutory					
- current year		23	21	3	3
- (over)/under-provision in prior year		(5)	10	-	-
Amortisation of trademarks	8	1,367	1,405	-	-
Bad debts written off on trade and other receivables		45	26	5	-
Deposits written off		9	-	9	-
Depreciation of property, plant and equipment	5	10,690	8,451	-	-
Depreciation of right-of-use assets	6	31,327	26,812	-	-
Fair value loss on long term investments	33(e)	-	30	-	-
Fair value loss on other investments		17	101	-	-
Impairment losses on:					
- trade and other receivables	12	4,363	1,486	-	-
- right-of-use assets	6	185	-	-	-
Interest expense and profit payment on borrowings:					
- bank guarantees		122	47	-	-
- bankers' acceptances		242	124	-	-
- lease liabilities	6	3,744	2,924	-	-
- term loans and terms financing-i		2,980	2,883	-	-
- trust receipts		241	293	-	-
- revolving credit		247	95	-	-
- unwinding of discount on provision for restoration costs	22(c)	47	135	-	-
- others		71	102	-	-
		7,694	6,603	-	-
Inventories written off	14(f)	5	-	-	-
Loss on disposals of other investments		-	53	-	-
Loss on disposals of property, plant and equipment		186	-	-	-
Loss on striking off of subsidiaries		-	-	54	-

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 27. PROFIT BEFORE TAX (continued)

Other than those disclosed elsewhere in the financial statements, profit before tax is arrived at: (continued)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>After charging:(continued)</b>					
Property, plant and equipment written off	5	69	218	-	-
Realised loss on foreign exchange		350	480	-	-
Rental commission		6,744	7,325	-	-
Rental of office equipment		143	48	-	-
Rental of premises		1,539	1,536	-	-
Under-provision of restoration costs	22(c)	-	55	-	-
Unrealised loss on foreign exchange		375	1,188	-	-
<b>And crediting:</b>					
Bad debt recovered		-	138	-	-
Fair value gain on short term funds		662	812	233	242
Fair value adjustments on non-current amounts owing by subsidiaries		-	-	62	37
Fair value adjustments on investment properties	7	165	126	-	-
Gain on disposals of:					
- property, plant and equipment, net		-	110	-	-
- investment in a subsidiary		-	-	1,059	-
Gain on reassessment and modification of leases		796	325	-	-
Interest income from:					
- amount owing by a subsidiary		-	-	143	172
- bank balances		303	252	38	59
- deposits with licensed banks		1,657	1,384	-	-
- short term funds		648	266	312	39
- others		65	239	-	-
Over-provision of restoration costs	22(c)	77	-	-	-
Reversal of impairment losses on:					
- amounts owing by subsidiaries	12(n)	-	-	85	3,675
- investments in subsidiaries		-	-	6,599	-
- property, plant and equipment	5	198	-	-	-
- trade and other receivables	12	4,312	2,935	-	-
Rental income		917	661	-	-

(a) Interest income

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

- (b) The Group and the Company do not present the net (impairment losses)/reversal of impairment losses on financial instruments determined in accordance with MFRS 9 separately in the statements of profit or loss and other comprehensive income as the amounts are not material.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**28. TAX EXPENSE**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b> <b>RM'000</b>	<b>2023</b> <b>RM'000</b>	<b>2024</b> <b>RM'000</b>	<b>2023</b> <b>RM'000</b>
Current tax expense based on profit for the financial year:				
Malaysian income tax	8,647	9,218	18	34
Foreign income tax	6,349	8,014	-	-
	14,996	17,232	18	34
Under/(Over)-provision in prior years:				
Malaysian income tax	366	(47)	27	19
Foreign income tax	323	(521)	-	-
	689	(568)	27	19
	15,685	16,664	45	53
Deferred tax (Note 13)				
Relating to origination and reversal of temporary differences	(1,072)	470	-	-
(Over)/Under-provision in prior years	(1,652)	232	(1)	-
	(2,724)	702	(1)	-
	12,961	17,366	44	53

The Malaysian income tax is calculated at the statutory tax rate of 24% (2023: 24%) 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.



## NOTES TO THE FINANCIAL STATEMENTS

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### 28. TAX EXPENSE (continued)

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax	52,885	79,961	37,071	52,582
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	12,692	19,191	8,897	12,620
Tax effects in respect of:				
Non-allowable expenses	318	957	123	168
Non-taxable income	(108)	(610)	(9,002)	(12,754)
Different tax rates in foreign jurisdiction	582	(558)	-	-
Deferred tax assets not recognised	1,186	212	-	-
Tax incentive and allowances	(184)	(182)	-	-
Utilisation of previously unrecognised deferred tax assets	(562)	(1,308)	-	-
	13,924	17,702	18	34
Under/(Over)-provision of income tax in prior years	689	(568)	27	19
(Over)/Under-provision of deferred tax in prior years	(1,652)	232	(1)	-
	12,961	17,366	44	53

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

	← Group →		
	Before tax RM'000	Tax effect RM'000	After tax RM'000
<b>2024</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Foreign currency translations	61	-	61
<b>2023</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Foreign currency translations	11,434	-	11,434

## NOTES TO THE FINANCIAL STATEMENTS

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### 29. EARNINGS PER SHARE

(a) Basic

Basic earnings per ordinary share for the financial year are calculated by dividing the profit for the financial year attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year, after taking into consideration of treasury shares held by the Company.

	Group	
	2024	2023
Profit attributable to owners of the parent (RM'000)	33,814	55,000
Weighted average number of ordinary shares applicable to basic earnings per ordinary share ('000)	200,995	200,995
Basic earnings per ordinary share for profit for the financial year (sen)	16.82	27.36

(b) Diluted

Diluted earnings per ordinary share equal to the basic earnings per ordinary share as there were no dilutive potential ordinary shares outstanding during the financial year.

### 30. DIVIDENDS

	Group and Company			
	2024		2023	
	Dividend per share Sen	Amount of dividend RM'000	Dividend per share Sen	Amount of dividend RM'000
In respect of the financial year ended 30 June 2022:				
Single tier interim dividend, paid on 30 September 2022	-	-	2.0	4,020
Single tier special dividend, paid on 30 September 2022	-	-	10.0	20,100
In respect of the financial year ended 30 June 2023:				
Single tier interim dividend, paid on 6 January 2023	-	-	2.0	4,020
Single tier interim dividend, paid on 11 April 2023	-	-	2.0	4,020
Single tier interim dividend, paid on 28 June 2023	-	-	2.0	4,020
In respect of the financial year ended 30 June 2024:				
Single tier interim dividend, paid on 29 September 2023	2.0	4,020	-	-
Single tier special dividend, paid on 29 September 2023	4.0	8,040	-	-
Single tier interim dividend, paid on 5 January 2024	2.0	4,020	-	-
Single tier interim dividend, paid on 5 April 2024	2.0	4,020	-	-
Single tier interim dividend, paid on 26 June 2024	2.0	4,020	-	-
	12.0	24,120	18.0	36,180

## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

### 30. DIVIDENDS (continued)

The Directors do not recommend the payment of any final dividend for the financial year ended 30 June 2024.

On 29 August 2024, the Board of Directors declared a single tier interim dividend of 2.00 sen per ordinary share amounted to approximately RM4,020,000 in respect of the financial year ended 30 June 2024, that were paid on 27 September 2024 to the shareholders whose names appeared in the Record of Depositors of the Company as at 13 September 2024. The dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 June 2025.

### 31. EMPLOYEE BENEFITS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Wages, salaries and bonuses	66,635	58,167	654	652
Contributions to defined contribution plan	8,011	7,973	34	42
Social security contributions	1,095	644	-	-
Other benefits	9,147	11,861	-	-
	84,888	78,645	688	694

Included in the employee benefits of the Group and of the Company are Executive Directors' remuneration of the Group and of the Company amounting to RM8,937,000 (2023: RM9,321,000) and RM312,000 (2023: RM263,000) respectively.

### 32. 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 could be individuals or other parties.

Related parties of the Company include:

- (i) Its subsidiaries, fellow subsidiaries, and associates;
- (ii) Any entities with joint control of, or significant influence over the Company; and
- (iii) Key management personnel of the Company.

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

Related parties	Relationship
Bonia International Holdings Pte. Ltd.	A company in which a Director, who is also a substantial shareholder of the Company, has substantial financial interests.
Speciale Eyewear Sdn. Bhd.	A company in which a Director, who is also a director of certain subsidiaries of the Company, has substantial financial interests.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**32. RELATED PARTIES DISCLOSURES (continued)**

- (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:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b> <b>RM'000</b>	<b>2023</b> <b>RM'000</b>	<b>2024</b> <b>RM'000</b>	<b>2023</b> <b>RM'000</b>
<b>Received/Receivable from subsidiaries</b>				
Dividends	-	-	29,716	49,570
Administrative fee	-	-	23	20
Interest income	-	-	143	172
<b>Received from an associate</b>				
Dividend	300	120	300	120
<b>Received/Receivable from other related parties</b>				
Rental income				
- Speciale Eyewear Sdn. Bhd.	35	32	-	-
Purchases				
- Speciale Eyewear Sdn. Bhd.	223	223	-	-
Royalties				
- Bonia International Holdings Pte. Ltd.	592	840	-	-

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.

- (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.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 32. RELATED PARTIES DISCLOSURES (continued)

- (c) Compensation of key management personnel (continued)

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Directors of the Company:</b>				
<b>Non-executive Directors</b>				
Directors' fees	399	445	300	345
Short term employee benefits	74	363	74	72
Contributions to defined contribution plan	3	37	2	14
	476	845	376	431
<b>Executive Directors</b>				
Directors' fees	958	920	280	235
Short term employee benefits	4,039	4,398	-	-
Contributions to defined contribution plan	488	515	32	28
	5,485	5,833	312	263
<b>Directors of the subsidiaries</b>				
<b>Executive Directors</b>				
Directors' fees	501	482	-	-
Short term employee benefits	2,650	2,692	-	-
Contributions to defined contribution plan	301	314	-	-
	3,452	3,488	-	-
	9,413	10,166	688	694

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 33. 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 2024 and 30 June 2023.

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Borrowings	76,914	90,000	-	-
Lease liabilities	93,241	77,845	-	-
Less: Short term funds	(54,765)	(30,510)	(26,803)	(4,458)
Less: Cash and bank balances	(88,594)	(112,454)	(2,767)	(232)
	26,796	24,881	(29,570)	(4,690)
<b>Total capital</b>	<b>437,163</b>	<b>427,618</b>	<b>304,077</b>	<b>291,170</b>
Gearing ratio <sup>(1)</sup>	39%	39%	N/A	N/A
Net gearing ratio <sup>(2)</sup>	6%	6%	N/A	N/A

<sup>(1)</sup> without taking cash and bank balances and short term funds into consideration

<sup>(2)</sup> taking cash and bank balances and short term funds into consideration

Pursuant to Practice Note No. 17/2005 issued by Bursa Malaysia Securities Berhad, the Group is required to maintain a consolidated shareholders' equity of more 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 2024.

The Group and the Company are not subject to any other externally imposed capital requirements.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 33. FINANCIAL INSTRUMENTS (continued)

(b) Financial instruments

Group 2024	Amortised cost RM'000	Fair value through profit or loss RM'000	Total RM'000
<b>Financial assets</b>			
Other investments	-	2,923	2,923
Trade and other receivables, net of prepayments	45,280	-	45,280
Short term funds	-	54,765	54,765
Cash and bank balances	88,594	-	88,594
	133,874	57,688	191,562
		Amortised cost RM'000	Total RM'000
<b>Financial liabilities</b>			
Borrowings		76,914	76,914
Trade and other payables		27,993	27,993
		104,907	104,907
Company 2024	Amortised cost RM'000	Fair value through profit or loss RM'000	Total RM'000
<b>Financial assets</b>			
Other investment	-	150	150
Other receivables	2,513	-	2,513
Short term funds	-	26,803	26,803
Cash and bank balances	2,767	-	2,767
	5,280	26,953	32,233
		Amortised cost RM'000	Total RM'000
<b>Financial liability</b>			
Other payables		623	623

**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

**33. FINANCIAL INSTRUMENTS (continued)**

(b) Financial instruments (continued)

<b>Group 2023</b>	<b>Amortised cost RM'000</b>	<b>Fair value through profit or loss RM'000</b>	<b>Total RM'000</b>
<b>Financial assets</b>			
Other investments	-	2,766	2,766
Trade and other receivables, net of prepayments	48,457	-	48,457
Short term funds	-	30,510	30,510
Cash and bank balances	112,454	-	112,454
	160,911	33,276	194,187
		<b>Amortised cost RM'000</b>	<b>Total RM'000</b>
<b>Financial liabilities</b>			
Borrowings		90,000	90,000
Trade and other payables		35,028	35,028
		125,028	125,028
<b>Company 2023</b>	<b>Amortised cost RM'000</b>	<b>Fair value through profit or loss RM'000</b>	<b>Total RM'000</b>
<b>Financial assets</b>			
Other receivables	3,013	-	3,013
Short term funds	-	4,458	4,458
Cash and bank balances	232	-	232
	3,245	4,458	7,703
		<b>Amortised cost RM'000</b>	<b>Total RM'000</b>
<b>Financial liability</b>			
Other payables		11,488	11,488

(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 financial liabilities, such as trade receivables and current other receivables, trade payables and current 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 portion of loans and borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.



## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

### 33. FINANCIAL INSTRUMENTS (continued)

(c) Methods and assumptions used to estimate fair value (continued)

ii. Other investments

The fair values for club memberships are estimated based on references to current available counter party quotation of the same investment.

The fair values for quoted bonds are estimated by reference to the exchange quoted market prices at the close of the business on the reporting date.

The fair values for unquoted shares are estimated based on net assets of the Company.

iii. Non-current other receivables and other payable

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

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

iv. Financial guarantees

The Company provides corporate guarantees to financial institutions for banking facilities utilised and tenancy agreements entered into by certain subsidiaries. The fair values of such corporate guarantees are negligible as the probability of the subsidiaries defaulting on the banking facilities and tenancy agreements are remote.

(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	Valuation technique used	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value
<i>Financial assets</i>			
Amounts owing by subsidiaries	Discounted cash flows approach	Discount rate (11.6%)	The higher the discount rate, the lower the fair value of the asset would be.
Club memberships	Market approach	Counter party quotation	The higher the counter party quotation, the higher the fair value of the club memberships.
Unquoted shares	Net asset value method	Adjusted net assets	The higher the net assets of the Company, the higher the fair value of the unquoted shares.

There were no transfer between all three (3) levels of the fair value hierarchy during the financial year.

NOTES TO THE FINANCIAL STATEMENTS  
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33. 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.

2024 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		
<b>Financial assets</b>										
<b>Fair value through profit or loss</b>										
- Short term funds	54,765	-	-	54,765	-	-	-	-	54,765	54,765
- Club memberships	-	-	1,047	1,047	-	-	-	-	1,047	1,047
- Quoted bonds outside Malaysia	1,726	-	-	1,726	-	-	-	-	1,726	1,726
- Unquoted shares in Malaysia	-	-	150	150	-	-	-	-	150	150
<b>Company</b>										
<b>Financial assets</b>										
<b>Amortised cost</b>										
- Amounts owing by subsidiaries	-	-	-	-	-	-	1,595	1,595	1,595	1,595
<b>Fair value through profit or loss</b>										
- Short term funds	26,803	-	-	26,803	-	-	-	-	26,803	26,803

## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

### 33. 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)

2023 Group	Fair values of financial instruments carried at fair value			Fair values of financial instruments not carried at fair value			Total RM'000	Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000			
<b>Financial asset</b>									
<b>Fair value through profit or loss</b>									
- Short term funds	30,510	-	-	-	-	-	30,510	30,510	30,510
- Club memberships	-	-	1,073	-	-	-	1,073	1,073	1,073
- Quoted bonds outside Malaysia	1,693	-	-	-	-	-	1,693	1,693	1,693
<b>Company</b>									
<b>Financial assets</b>									
<b>Amortised cost</b>									
- Amount owing by a subsidiary	-	-	-	-	-	2,142	2,142	2,142	2,142
<b>Fair value through profit or loss</b>									
- Short term funds	4,458	-	-	-	-	-	4,458	4,458	4,458

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 33. FINANCIAL INSTRUMENTS (continued)

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

	Group	
	2024 RM'000	2023 RM'000
<b>Financial assets</b>		
Balance as at 1 July 2023/2022	1,073	1,105
Addition	150	-
Fair value loss recognised	-	(30)
Disposal	-	(45)
Translation adjustments	(26)	43
Balance as at 30 June 2024/2023	1,197	1,073

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.

### 34. 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, foreign currency risk and market price risk. Information on the management of the related exposures is detailed below.

(i) Credit risk

Credit risk is the risk that a counterparty would default on its contractual obligations resulting in financial loss to the Group.

Cash deposits, trade and other receivables and financial guarantees given to banks for banking facilities granted to subsidiaries could give rise to credit risk, which requires the loss to be recognised if a counterparty fails to perform as contracted. It is the policy of the Group to monitor the financial standing of these counterparties 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 and other receivables while the primary exposure of the Company is through the amounts owing by subsidiaries. The trading terms of the Group with its customers are mainly on credit, except for boutique sales, where the transactions are performed on 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 seeks 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 2024

#### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(i) Credit risk (continued)

Exposure to credit risk

As at the end of each reporting period, no collateral has been obtained by the Group. 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.

The maximum exposure to credit risk in relation to financial guarantee contracts provided as credit enhancements to the secured borrowings of subsidiaries amounted to RM76,914,000 (2023: RM90,000,000) represents the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

Recognition and measurement of impairment loss of financial guarantee contracts

The Company assumes that there is a significant increase in credit risk when the financial positions of the subsidiaries deteriorate significantly. The Company considers a financial guarantee to be credit impaired when:

- (a) the subsidiaries are unlikely to repay their credit obligations to the banks in full; or
- (b) the subsidiaries are continuously loss making and are having deficit shareholder's fund.

The Company determines the probability of default by subsidiaries on the guaranteed borrowings using available internal information. No impairment loss is recognised arising from financial guarantees as it is negligible.

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			
	2024	%	2023	%
	RM'000	of total	RM'000	of total
<b>By country</b>				
Malaysia	12,982	44	12,021	39
Singapore	15,865	53	18,136	59
Indonesia	303	1	183	1
Others	594	2	343	1
	29,744	100	30,683	100
<b>By industry sectors</b>				
Retailing	29,439	99	30,432	100
Investment property	305	1	251	#
	29,744	100	30,683	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 RM2,513,000 (2023: RM2,999,000).

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(ii) Liquidity and cash flow risk

Liquidity and cash flow risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets as and when they fall due.

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
<b>As at 30 June 2024</b>				
<b>Group</b>				
<b>Financial liabilities</b>				
Trade and other payables	25,870	2,159	-	28,029
Borrowings	16,765	24,713	62,115	103,593
Lease liabilities	33,840	64,886	3,199	101,925
Total undiscounted financial liabilities	76,475	91,758	65,314	233,547
<b>Company</b>				
<b>Financial liabilities</b>				
Other payables	623	-	-	623
Financial guarantee contracts	76,914	-	-	76,914
Total undiscounted financial liabilities	77,537	-	-	77,537
<b>As at 30 June 2023</b>				
<b>Group</b>				
<b>Financial liabilities</b>				
Trade and other payables	29,232	6,026	-	35,258
Borrowings	24,081	23,231	50,867	98,179
Lease liabilities	27,809	53,925	1,907	83,641
Total undiscounted financial liabilities	81,122	83,182	52,774	217,078

## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

#### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(ii) Liquidity and cash flow risk (continued)

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. (continued)

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<b>As at 30 June 2023</b>				
<b>Company</b>				
<b>Financial liabilities</b>				
Other payables	11,488	-	-	11,488
Financial guarantee contracts	90,000	-	-	90,000
Total undiscounted financial liabilities	101,488	-	-	101,488

(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 rates risk arises primarily from deposits with licensed banks, short term funds, interest-bearing amount owing by a subsidiary, interest-bearing borrowings and lease liabilities. 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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Profit after tax</b>				
- increase by 0.5% (2023: 0.5%)	(269)	(337)	113	30
- decrease by 0.5% (2023: 0.5%)	269	337	(113)	(30)

The sensitivity of the Group is lower in 2024 than in 2023 is primarily because of the decrease in borrowings during the financial year.

The sensitivity of the Company is higher in 2024 than in 2023 because of the increase in short term funds 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 2024

34. 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 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	Total RM'000
<b>As at 30 June 2024</b>									
<b>Fixed rates</b>									
Deposits with licensed banks	16	3.1	34,746	-	-	-	-	-	34,746
Lease liabilities	6	2.35 - 6.56*	(29,213)	(23,576)	(17,069)	(11,538)	(7,879)	(3,966)	(93,241)
Other payable	19	2.0	-	(2,123)	-	-	-	-	(2,123)
<b>Floating rates</b>									
Deposits with licensed banks	16	2.8	12,026	-	-	-	-	-	12,026
Short term funds	15	0.9	54,765	-	-	-	-	-	54,765
Bankers' acceptances	20	4.8	(1,904)	-	-	-	-	-	(1,904)
Foreign currency trade loan	20	3.8	(3,139)	-	-	-	-	-	(3,139)
Revolving credit	20	3.7	(4,000)	-	-	-	-	-	(4,000)
Term loans and terms financing-i	21	4.3	(4,790)	(4,683)	(3,541)	(3,701)	(3,869)	(47,287)	(67,871)

\* Incremental borrowing rate



## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

### 34. 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)

Group	Note	Weighted average effective interest rate %	Within 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	Total RM'000
<b>As at 30 June 2023</b>									
<b>Fixed rates</b>									
Other receivables	12(d)	7.5	1,011	-	-	-	-	-	1,011
Deposits with licensed banks	16	3.1	32,196	-	-	-	-	-	32,196
Lease liabilities	6	2.35 - 6.69*	(25,175)	(22,073)	(15,315)	(8,307)	(5,110)	(1,865)	(77,845)
Other payable	19	2.0	-	-	(5,796)	-	-	-	(5,796)
<b>Floating rates</b>									
Deposits with licensed banks	16	2.7	21,126	-	-	-	-	-	21,126
Short term funds	15	0.7	30,510	-	-	-	-	-	30,510
Bankers' acceptances	20	4.8	(2,754)	-	-	-	-	-	(2,754)
Revolving credit	20	3.9	(8,400)	-	-	-	-	-	(8,400)
Trust receipts	20	6.7	(6,639)	-	-	-	-	-	(6,639)
Term loans and terms financing-i	21	3.7	(4,609)	(4,658)	(4,915)	(3,954)	(4,092)	(49,979)	(72,207)

\* Incremental borrowing rate

NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2024

34. 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 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	Total RM'000
<b>As at 30 June 2024</b>									
<b>Fixed rate</b>									
Amounts owing by subsidiaries	12	4.3	913	867	555	283	239	-	2,857
<b>Floating rate</b>									
Short term funds	15	0.9	26,803	-	-	-	-	-	26,803
<b>As at 30 June 2023</b>									
<b>Fixed rate</b>									
Amount owing by a subsidiary	12	4.3	900	848	798	751	191	-	3,488
<b>Floating rate</b>									
Short term funds	15	0.4	4,458	-	-	-	-	-	4,458

## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

#### 34. 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 amounted to RM48,310,000 (2023: RM55,717,000) (see Note 16(c) to the financial statements) for the Group.

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

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity analysis of the Group and of the Company to a reasonably possible change in the Singapore Dollar ("SGD"), United States Dollar ("USD"), Indonesian Rupiah ("IDR"), Hong Kong Dollar ("HKD") and Chinese Renminbi ("RMB") exchange rates against the respective functional currencies of the Group entities, with all other variables held constant:

Profit after tax		Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
SGD/RM	- strengthen by 3% (2023: 3%)	+1,251	+944	-	-
	- weaken by 3%(2023: 3%)	-1,251	-944	-	-
USD/RM	- strengthen by 3% (2023: 3%)	+14	+25	-	-
	- weaken by 3% (2023: 3%)	-14	-25	-	-
IDR/RM	- strengthen by 3% (2023: 3%)	+14	+16	-	-
	- weaken by 3% (2023: 3%)	-14	-16	-	-
HKD/RM	- strengthen by 3% (2023: 3%)	+34	+88	-	-
	- weaken by 3% (2023: 3%)	-34	-88	-	-
RMB/RM	- strengthen by 3% (2023: 3%)	-112	+153	-	-
	- weaken by 3% (2023: 3%)	+112	-153	-	-

The exposure to the other currencies are not significant, hence the effects of changes in exchange rates are not presented.

**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

**34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**

- (v) Market price risk

Market price risk is the risk that the fair value or future cash flows of the financial instruments of the Group would fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to market price risk arising from its investments in short term funds.

Sensitivity analysis of market price risk for short term fund is not presented as the market price volatility of the short term fund is low.

**35. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs**

**35.1 New MFRSs adopted during the financial year**

The Group and the Company adopted the following Standard and Amendments to MFRSs of the MFRS Framework that were issued by the Malaysian Accounting Standards Board (“MASB”) during the financial year:

Title	Effective Date
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendment to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 112 <i>International Tax Reform - Pillar Two Model Rules</i>	Refer paragraph 98M of MFRS 112

Adoption of the above Standard and Amendments to MFRSs did not have any material effect on the financial performance or position of the Group and of the Company.

**35.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2024**

The following are Standards of the MFRS Framework that have been issued by the MASB but have not been early adopted by the Group and the Company:

Title	Effective Date
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 121 - <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

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

## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

#### 36. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

- (a) The Company had on 21 June 2023, inked a conditional Share Sale Agreement (“SSA”) with a related party, Remarkable Success Sdn. Bhd. (“RSSB”, a company controlled by Dato’ Sri Chiang Fong Tat) to dispose 30% of the Company’s equity interest (equivalent to the then 60,298,537 ordinary shares in issue of SBG) held in SBG Holdings Sdn. Bhd. (a then wholly-owned subsidiary of the Company) to RSSB at a disposal consideration of RM17,597,330 (“Disposal Consideration”) to be satisfied entirely in cash (collectively, “Disposal”).

The Disposal was completed on 1 September 2023 following: (i) the Company’s receipt of the balance Disposal Consideration of RM15,837,597 from RSSB, and (ii) the fulfilment of all conditions precedent in the SSA by both the Company and RSSB.

- (b) On 2 May 2024, the Company subscribed for 150,000 new ordinary shares, representing 15% shareholding in the share capital of UDT Sea Sdn. Bhd. (“UDT”) at a price of RM1.00 per share by way of cash subscription.
- (c) The shareholders of the Company approved the proposed renewal of shareholders’ mandate to enable Bonia Corporation Berhad to purchase up to 10% of its total number of issued shares at the Annual General Meeting of the Company held on 30 November 2023.
- (d) The Company had on 9 July 2024, inked a subscription agreement with IT SEA Holdings Sdn. Bhd. (“ITSH”, a company in which Dato’ Sri Chiang Fong Seng is a substantial shareholder) to formalise the subscription by the Company of 6,669,231 new ordinary shares equivalent to or representing 30% of the total enlarged number of issued shares of ITSH at the total subscription consideration of RM7,500,217. The subscription was completed after the financial year.
- (e) During the financial year, the Company subscribed for an additional 3,800,000 ordinary shares in the share capital of Luxury Parade Sdn. Bhd., a wholly-owned subsidiary of the Company, at a price of RM1.00 per share by way of cash subscription.
- (f) During the financial year, Active Franchise Pte. Ltd., an indirect wholly-owned subsidiary of the Company, was struck off from the register of the Accounting and Corporate Regulatory Authority (“ACRA”), Singapore.
- (g) After the financial year, SBG, a 70%-owned subsidiary of the Company, subscribed for 3,000,000 ordinary shares in the share capital of its wholly-owned subsidiary namely SB Boutique Sdn. Bhd. at a price of RM1.00 per share by way of cash subscription.
- (h) Material litigation

The 60% owned subsidiaries of the Company, AMSB and Mcore (collectively referred as “the Plaintiffs”) had filed a civil suit on 3 August 2011 against Leong Tat Yan (“the Defendant”). 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 amounting 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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
30 JUNE 2024

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**36. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD (continued)**

## (h) Material litigation (continued)

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.

The Plaintiffs had on 31 October 2016 filed a Writ of Summons and Statement of Claim against the Defendant and served the same on the Defendant on 2 November 2016.

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

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

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

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

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

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

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

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

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

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

On 5 January 2018, the High Court allowed the Defendant's application to stay the proceedings pending reference of the dispute to arbitration, with costs of RM5,000 to follow the outcome of the arbitration.

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

## NOTES TO THE FINANCIAL STATEMENTS

### 30 JUNE 2024

### 36. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD (continued)

(h) Material litigation (continued)

On 26 June 2018, the Court of Appeal allowed the Plaintiffs' appeal and reversed the decision of the High Court, with costs of RM15,000 for the Court of Appeal and High Court proceedings awarded to the Plaintiffs.

On 3 July 2018, the Respondent filed an application for leave to appeal to the Federal Court against the decision of the Court of Appeal.

On 20 July 2018, the Defendant filed an application to stay the proceedings pending the disposal of the Federal Court proceedings (Enclosure 7).

On 30 July 2018, the Plaintiffs filed an application for security for costs (Enclosure 13).

On 8 October 2018, the Federal Court allowed the Defendant's application to stay the proceedings in full and the Plaintiffs' application for security for costs in part.

The Defendant's application for leave to appeal to the Federal Court on Enclosure 22 is fixed for Case Management on 26 November 2020.

On 26 February 2021, the Defendant's application for leave to appeal to the Federal Court on Enclosure 22 was dismissed and the matter was remitted to the High Court for trial.

On 30 August 2023, the High Court allowed the Plaintiffs' claim against the Defendant and made the following orders:

- i. The Defendant is to pay the 1st Plaintiff, ie. AMSB the following sums:
  - a. RM946,496.39;
  - b. RM3,303,671.00; and
  - c. Interest on the sums in (a) and (b) above at the rate of 5% per annum from the date of judgment to the date of full realisation.
- ii. The Defendant is to pay the 2nd Plaintiff, ie. Mcore the following sums:
  - a. RM2,249,751.08;
  - b. RM14,871,167.03; and
  - c. Interest on the sums in (a) and (b) above at the rate of 5% per annum from the date of judgment to the date of full realisation.
- iii. The Defendant is to pay the Plaintiffs costs of RM100,000.
- iv. The Defendant's counterclaim is dismissed.

The Defendant filed an appeal against the decision of the High Court on 21 September 2023.

On 7 May 2024, the Court of Appeal allowed the Plaintiffs' application for security for costs and ordered the Defendant to deposit RM40,000 with his solicitors. The hearing of the appeal is fixed on 19 February 2025.

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**BONIA CORPORATION BERHAD**

Registration No. 199101013622 (223934-T)