



BHS Industries Berhad (Company No: 719660-W)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 30 JUNE 2016
 (The figures have not been audited)

	FOURTH Quarter 3 months ended 30 June		Cumulative Quarters 12 months ended 30 June	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Revenue	10,421	8,031	28,315	31,674
Operating expenses	(11,295)	(10,149)	(33,852)	(36,717)
Other income	334	1,855	3,021	7,599
Interest	6	50	70	123
Finance costs	(56)	(86)	(342)	(116)
Profit/(Loss) before tax	(590)	(299)	(2,788)	2,563
Taxation	(362)	239	(382)	224
Net profit/(Loss) for the period	<u>(952)</u>	<u>(60)</u>	<u>(3,170)</u>	<u>2,787</u>
Other Comprehensive Income:				
Translation of foreign operation	1		1	(112)
Gains on changes in fair value	-	26	-	368
Reclass to profit or loss arising from disposal	-	(663)	-	(663)
	<u>1</u>	<u>(637)</u>	<u>1</u>	<u>(407)</u>
Total Comprehensive Income for the period	<u>(951)</u>	<u>(697)</u>	<u>(3,169)</u>	<u>2,380</u>
Profit/(Loss) Attributable to :				
Owners of the Company	<u>(952)</u>	<u>(60)</u>	<u>(3,170)</u>	<u>2,787</u>
Total Comprehensive Income attributable to:				
Owners of the Company	<u>(951)</u>	<u>(697)</u>	<u>(3,169)</u>	<u>2,380</u>
Earnings per share (sen):				
Basic (Part B, Note 11)	<u>(0.24)</u>	<u>(0.02)</u>	<u>(0.89)</u>	<u>1.76</u>

Note:

The unaudited condensed consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to the Interim Financial Report.



BHS Industries Berhad (Company No: 719660-W)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS at 30 June 2016
(The figures have not been audited)

	As at 30 June 2016 RM ' 000	(Audited) As at 30 June 2015 RM ' 000
ASSETS		
Non-current assets		
Leasehold land and building	24,731	16,067
Land held for development	10,480	-
Plant and equipment	16,324	10,698
Other investments	13	1,179
Master licence rights	500	500
Total non-current assets	52,048	28,444
Current assets		
Inventories	13,886	12,305
Trade receivables	18,617	13,764
Other receivables, deposits and prepayments	29,151	7,530
Tax recoverable	1,777	1,965
Short term Investments	9,480	22,513
Fixed deposit with licensed bank	800	3,276
Cash and bank balances	6,099	9,270
	79,810	70,623
TOTAL ASSETS	131,858	99,067
EQUITY AND LIABILITIES		
Share capital	104,786	80,000
Warrant reserve	16,855	-
Other reserve	(16,832)	(16,833)
Treasury shares	(14,268)	(4,256)
Retained earnings	21,398	24,568
Total Equity	111,939	83,479
Non-current liabilities		
Bank borrowing	6,766	7,370
Deferred tax liabilities	1,270	1,169
Total non-current liabilities	8,036	8,539
Current liabilities		
Bank borrowing	3,560	623
Trade payables	5,757	2,250
Other payables and accruals	2,313	4,012
Provision for tax	253	164
Total current liabilities	11,883	7,049
TOTAL EQUITY AND LIABILITIES	131,858	99,067
Net asset per share (RM)	0.27	0.27

Note:

The unaudited condensed consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to the Interim Financial Report.



BHS Industries Berhad (Company No: 719660-W)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 30 JUNE 2016
(The figures have not been audited)**

	Non-distributable					Distributable		
	Share Capital RM' 000	Share Premium RM'000	Translation Reserve RM;000	Warrant Reserve RM'000	Other Reserve RM' 000	Treasury Shares RM' 000	Retained Profits RM' 000	Total RM' 000
As at 1 July 2015	80,000	-	-	-	(16,833)	(4,256)	24,568	83,479
Total comprehensive income for the quarter	-	-	-	-	-	-	163	163
Purchase of own shares	-	-	-	-	-	(8,430)	-	(8,430)
As at 30 September 2015	80,000	-	-	-	(16,833)	(12,686)	24,731	75,212
Purchase of own shares	-	-	-	-	-	(1,578)	-	(1,578)
Proceeds from Rights Issue	24,786	16,855	-	-	-	-	-	41,641
Share Issue expenses	-	(910)	-	-	-	-	-	(910)
Total comprehensive income for the quarter	-	-	-	-	-	-	(1,495)	(1,495)
As at 31 December 2015	104,786	15,945	-	-	(16,833)	(14,264)	23,236	112,870
Total comprehensive income for the quarter	-	-	-	-	-	-	(886)	(886)
As at 31 March 2016	104,786	15,945	-	-	(16,833)	(14,264)	22,350	111,984
Transfer of account	-	(16,855)	-	16,855	-	-	-	-
Transfer to Income Statement	-	910	-	-	-	-	-	910
Purchase of own shares	-	-	-	-	-	(4)	-	(4)
Total comprehensive income for the quarter	-	-	1	-	-	-	(952)	(951)
As at 30 June 2016	<u>104,786</u>	<u>-</u>	<u>1</u>	<u>16,855</u>	<u>(16,833)</u>	<u>(14,268)</u>	<u>21,398</u>	<u>111,939</u>

The unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to the Interim Financial Report.



BHS Industries Berhad (Company No: 719660-W)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 30 JUNE 2016
(The figures have not been audited)

	Cumulative	
	12 months ended 30 June	
	2016	2015
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit/(Loss) before tax	(2,788)	2,563
Adjustments for:		
Allowance for debts	-	380
Depreciation and amortisation	1,744	1,482
Gains arising from disposal of land and subsidiary	-	(3,095)
Loss/(Gains) on foreign exchange (unrealised)	460	(525)
Gains on Fair value on quoted shares	(322)	(179)
Unrealised short term investments	-	(730)
Recovery of debts	(374)	-
Interest expense	295	116
Gains on disposal of plant & equipment	(392)	(97)
	<u>(1,377)</u>	<u>(85)</u>
Changes in working capital:		
Inventories	(1,581)	2,731
Receivables	(26,122)	(1,567)
Short term investments	13,033	(10,730)
Payables	1,808	3,091
	<u>(14,239)</u>	<u>(6,560)</u>
Cash used in operations	(14,239)	(6,560)
Interest paid	(295)	(116)
Taxes refund/(paid)	472	(725)
Net cash used in operating activities	<u>(14,062)</u>	<u>(7,401)</u>
Cash Flows From Investing Activities		
Purchase of Property, plant & equipment	(16,037)	(19,615)
Purchase of land for development	(10,480)	-
Purchase of Quoted shares	-	(1,108)
Purchase of Master licence rights	-	(500)
Proceeds from disposal of plant & machinery	392	701
Proceeds from disposal of quoted shares	1,488	97
Proceeds from disposal of mutual funds	-	2,016
Proceeds from disposal of shares in subsidiary	-	9,885
Proceeds from disposal of treasury shares	-	13,768
Net cash (used in)/generated from investing activities	<u>(24,637)</u>	<u>5,244</u>
Cash Flows From Financing Activities		
Proceeds from Rights Issue (net)	40,731	7,993
Increase in bank borrowings	2,333	-
Dividend paid	-	(2,400)
Repurchase of treasury shares	(10,012)	(4,256)
Net cash generated from financing activities	<u>33,052</u>	<u>1,337</u>
Net Increase in cash and cash equivalents	(5,647)	(820)
Cash and cash equivalents at beginning	12,546	11,125
Cash and cash equivalents at end #	6,899	10,305

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to the Interim Financial Statement.

Please refer to Part A, Note 14 for the analysis of Cash and Cash equivalents

BHS Industries Berhad (Company no: 719660-W)
Notes To The Interim Report
For The fourth Quarter Ended 30 June 2016
(The figures have not been audited)

Part A-Explanatory Notes Pursuant to FRS 134

1 Basis of Preparation

The unaudited interim financial statements have been prepared and presented in accordance with the reporting requirements outlined in the Malaysian Financial Reporting Standard ("MFRS") No.134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The unaudited interim financial statements report should be read in conjunction with the audited consolidated financial statements for the year ended 30 June 2015 and the accompanying explanatory notes attached to the audited consolidated financial statements.

In the previous years, the financial statements were prepared in accordance with the Financial Reporting Standards in Malaysia. The first time adoption of MFRS does not have any significant impact on the Group's reported unaudited financial position, financial performance and cash flows.

The Group has not adopted the new standards, amendments to published standards and interpretations that have been issued but not yet effective. These new standards, amendments to published standards and interpretations do not result in significant changes in accounting policies of the Group.

2 Auditors' Report on Preceding Annual Financial Statements

The audited financial statements for the financial year ended 30 June 2015 were not subject to any qualification.

3 Comments about Seasonality or Cyclicity of Operations

The business operations of The Group were not materially affected by seasonal or cyclical changes.

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review.

5 Changes in Estimates

There were no changes in estimates of amounts which have a material effect on the results in the current quarter under review.

6 Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities in the current quarter under review except the following:

On 27 May 2016, the Company repurchased 10,000 bhs shares for RM4,446. At 30.6.2016, the Company held a total of 26,930,000 treasury shares at a total cost of RM14,268,574 with an average cost of RM0.53

7 Dividend Paid

The Company did not pay any dividend in the quarter under review.

BHS Industries Berhad (Company no: 719660-W)
Notes To The Interim Report
For The fourth Quarter Ended 30 June 2016
(The figures have not been audited)

8 Segmental Information

Segmental Information for the Group by geographical segment is presented as follows:

	12 months Ended 30 June 2016 RM'000
Geographical Segments	
Revenue	
Export market	16,083
Local market	12,232
	<u>28,315</u>
Results	
Export market	(3,339)
Local market	(2,540)
Loss from operations	(5,879)
Add Other Income & Interest	3,091
	<u>(2,788)</u>
Less taxation	(382)
Loss after tax	<u>(3,170)</u>

Disclosure of segmental information of the Group by business segment is not presented as the Group is primarily engaged in the segment of printing.

9 Valuation of Property, Plant and Equipment

There were no valuation of the property, plant and equipment in the current quarter under review.

10 Material Events Subsequent to the End of the Quarter

There were no material events between the end of the current quarter and the date of this report, which are likely to substantially affect the current quarter results under review.

11 Changes in the Composition of the Group

There is no change in the composition of the Group in the quarter under review except the following:
 BHS Palau Inc , a wholly owned subsidiary of BHS was incorporated in the Republic of Palau on 6 May 2016.

12 Contingent Liabilities

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at 22 Aug 2016, the latest practicable date which is not earlier than 7 days from the date of issuance of these financial results.

13 Capital Commitments

As at 22 Aug 2016 (the latest practicable date which is not earlier than 7 days from the date of issuance of these financial results), the Group did not have any material commitment for contracted capital expenditure which might have a material impact on the financial position or business of the Group.

14 Cash and Cash Equivalents

	As at 30 June 2016 RM'000	As at 30 June 2015 RM'000
Cash at bank	6,099	9,270
Fixed deposit with financial institution	800	3,276
	<u>6,899</u>	<u>12,546</u>

BHS Industries Berhad (Company no: 719660-W)
Notes To The Interim Report
For The Fourth Quarter Ended 30 June 2016
(The figures have not been audited)

PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

1 Analysis of performance

	4th Quarter 30.6.2016 RM'000	4th Quarter 30.6.2015 RM'000
Revenue	<u>10,421</u>	<u>8,031</u>
Profit Before Tax (PBT)	<u>(590)</u>	<u>(299)</u>

The revenue for the 4th quarter increased by RM2.4 million compared with the same quarter in the corresponding period. The higher loss was attributed to a one off charge of RM910,000 for issuing expenses incurred on the issuance of rights issue in the year.

2 Variation of Results Against Preceding Quarter

	Current Quarter 30.6.2016 RM'000	Preceding Quarter 31.3.2016 RM'000
Revenue	<u>10,421</u>	<u>7,378</u>
Profit Before Tax (PBT)	<u>(590)</u>	<u>(936)</u>

Compared with the preceding quarter, the current quarter revenue increased by RM3 million. The higher turnover has given rise to lower losses despite the Group incurred a one off issuing expenses of RM0.91 million and additional costs in the new businesses that have yet to generate income.

3 Prospects

The slow down in China's economy, Brexit, prolong low petroleum prices and high US dollar have negatively affected our export market. Despite these challenges, the Company was able to increase its revenue in the June quarter. In view of the foregoing, the board of directors is of the view that the Company will be able to perform satisfactorily in the next 12 months.

4 Profit Forecast and Profit Guarantee

The Group has not issued any profit forecast or profit guarantee in the current financial year.

5 Taxation

	12 months Ended 30 June 2016 RM'000
Provision of Income tax	<u>382</u>

The statutory tax rate for year of assessment 2016 is 24% and the tax provision is based thereon.

BHS Industries Berhad (Company no: 719660-W)
Notes To The Interim Report
For The Fourth Quarter Ended 30 June 2016
(The figures have not been audited)

6 The following items have been deducted/(credited) in arriving at the Net Profit:

	3 month Ended 30 June 2016 RM'000	12 months Ended 30 June 2016 RM'000
Depreciation and amortisation	445	1,744
Foreign exchange loss/(gains)	(70)	(982)
Unrealised gains on short term investments	(131)	(689)
Fair value loss/(gains) on investment in quoted shares	-	(322)

Interest as appeared on the Comprehensive Income Statement refers to bank interest only.

*There are no allowance for debts, no gains or losses on derivative, exceptional items, provision for and write off of inventories, and impairment of assets.

7 Group's Borrowings and Debt Securities

The Company's borrowing in the quarter under review as follows:

	RM '000
Bank borrowing -12 months	663
Bank borrowing -more than 12 months	6,606
Hire purchase-12 months	98
Hire purchase-more than 12 months	161
Foreign currency trade loan	2,798
	<u>10,326</u>

The bank borrowing refers to a 10 year flexible fixed term loan of RM8 million taken out to acquire the Company's factory.

8 Material Litigation

Neither the Company nor its subsidiaries are engaged in any litigation or arbitration, either as plaintiff or defendant, which have a material effect on the financial position of the Company or its subsidiaries and the Board is not aware of any proceedings pending or threatened or of any acts likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiaries.

9 Dividends

The Board of Directors did not propose any dividend for the quarter under review.

10 Retained profits/(accumulated losses) of the Group

	RM' 000
- Realised	23,446
-Unrealised	(1,270)
	<u>22,176</u>
Less Consolidated adjustment	(778)
	<u>21,398</u>

BHS Industries Berhad (Company no: 719660-W)
Notes To The Interim Report
For The Fourth Quarter Ended 30 June 2016
(The figures have not been audited)

11 Earnings Per Share

Basic earnings per share is calculated by dividing net profit/(loss) attributable to ordinary equity holders by the weighted average number of ordinary shares in issue (excluding treasury shares) during the period.

Weighted average number of shares for calculation of basic earnings per share:

	3 months Ended 30 June 2016 RM'000	12 months Ended 30 June 2016 RM'000
Profit/(Loss) attributable to shareholders	<u>(952)</u>	<u>(3,170)</u>
Weighted average number of shares in issue ('000) (Excluding treasury shares)	<u>392,215</u>	<u>355,926</u>
Basic earnings per share (sen)	<u>(0.24)</u>	<u>(0.89)</u>

12 Corporate Proposals

(a) The corporate exercise for rights issue together with free warrants was completed on 22 October 2015.

(b) Status of Utilisation of Proceeds

The Company raised a total gross proceeds of RM41,640,984 from the Rights Issue. The utilisation of proceeds as at 22 Aug 2016 (the latest practicable date not earlier than 7 days from the date of issue of this report) is as follows:

	Proposed Utilisation	Actual utilised as at 22.08.16	Balance to be utilised	Intended Timeframe For Utilisation
	RM'000	RM'000	RM'000	
Acquisition of land	7,000	4,728	2,272	Within 24 months
Purchase of plant & machinery & other ancillary facilities	33,641	21,889	11,752	Within 24 months
Estimated expenses in relation to the Corporate Exercises	1,000	910	90	Immediate
	<u>41,641</u>	<u>27,527</u>	<u>14,114</u>	

13 Authorisation for Issue

The unaudited interim financial statements were authorised for issuance by the Board of Directors.