



**BHS Industries Berhad ( Company No: 719660-W )**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THIRD QUARTER ENDED 31 MARCH 2015**  
 (The figures have not been audited)

	Third Quarter 3 months ended 31 March		Cumulative Quarters 9 months ended 31 March	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Revenue	4,910	16,860	23,643	55,618
Operating expenses	(6,496)	(14,041)	(26,568)	(46,935)
Other income	1,046	97	5,744	793
Interest	61	7	73	33
Finance costs	(4)	(18)	(30)	(75)
<b>Profit/(Loss) before tax</b>	<b>(483)</b>	<b>2,905</b>	<b>2,862</b>	<b>9,434</b>
Taxation	124	1,226	(15)	(559)
Net profit/(Loss) for the period	<u>(359)</u>	<u>4,131</u>	<u>2,847</u>	<u>8,875</u>
<b>Other Comprehensive Income:</b>				
Translation of foreign operation	-	(1)	-	93
Net Gain/(loss) on Available for sale financial assets	189	(26)	342	168
	<u>189</u>	<u>(27)</u>	<u>342</u>	<u>261</u>
<b>Total Comprehensive Income for the period</b>	<b><u>(170)</u></b>	<b><u>4,104</u></b>	<b><u>3,189</u></b>	<b><u>9,136</u></b>
<b>Profit/(Loss) Attributable to :</b>				
Owners of the Company	<u>(359)</u>	<u>4,131</u>	<u>2,847</u>	<u>8,875</u>
<b>Total Comprehensive Income attributable to:</b>				
Owners of the Company	<u>(170)</u>	<u>4,104</u>	<u>3,189</u>	<u>9,136</u>
<b>Earnings per share (sen):</b>				
Basic (Part B, Note 11)	<u>(0.21)</u>	<u>5.73</u>	<u>2.70</u>	<u>12.31</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 2014 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 31 MARCH 2015**  
**( The figures have not been audited )**

	<b>As at 31 March 2015 RM ' 000</b>	<b>(Audited) As at 30 June 2014 RM ' 000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Leasehold land and building	16,134	-
Plant and equipment	10,929	9,235
Other investments	3,072	1,746
Master licence rights	500	-
<b>Total non-current assets</b>	<b>30,635</b>	<b>10,981</b>
<b>Current assets</b>		
Inventories	12,492	15,036
Trade receivables	10,272	18,417
Other receivables, deposits and prepayments	1,437	1,537
Tax recoverable	1,636	710
Short term Investments	24,287	13,783
Cash and bank balances	19,807	11,125
Assets classified as held for sale (Part A, Note 8)	-	7,840
	<b>69,931</b>	<b>68,448</b>
<b>TOTAL ASSETS</b>	<b>100,566</b>	<b>79,429</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital (Part A, Note 6)	80,000	40,000
Share premium	-	1,684
Other reserve	(16,196)	(16,426)
Treasury shares	-	(4,224)
Retained earnings	24,629	52,954
<b>Total Equity</b>	<b>88,433</b>	<b>73,988</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	1,260	1,260
<b>Total non-current liabilities</b>	<b>1,260</b>	<b>1,260</b>
<b>Current liabilities</b>		
Trade payables	2,824	529
Other payables and accruals	8,049	2,645
Liabilities classified as held for sale (Part A, Note 9)	-	1,007
<b>Total current liabilities</b>	<b>10,873</b>	<b>4,181</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>100,566</b>	<b>79,429</b>
<b>Net asset per share (RM)</b>	<b>0.28</b>	<b>1.03</b>

**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 2014 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 THIRD QUARTER ENDED 31 MARCH 2015  
(The figures have not been audited)**

	Non-distributable					Distributable		
	Share Capital RM' 000	Share Premium RM' 000	Other Reserve RM' 000	Fair Value Reserve RM' 000	Translation Reserve RM' 000	Treasury Shares RM' 000	Retained Profits RM' 000	Total RM' 000
<b>As at 1 July 2014</b>	40,000	1,684	(16,833)	295	112	(4,224)	52,954	73,988
Total comprehensive income for the quarter				14	(112)		3,870	3,772
<b>As at 30 September 2014</b>	40,000	1,684	(16,833)	309	-	(4,224)	56,824	77,760
Total comprehensive income for the quarter		-	-	139	-	-	(664)	(525)
Cost of Share dividend	-	-	-	-	-	1,818	(1,818)	-
Gains on diposal of shares/cost of treasury shares	-	11,362	-	-	-	2,406	-	13,768
<b>As at 31 December 2014</b>	40,000	13,046	(16,833)	448	-	-	54,342	91,003
Dividend 3 sen a share	-	-	-	-	-	-	(2,400)	(2,400)
Bonus Issue	40,000	(13,046)	-	-	-	-	(26,954)	-
Total comprehensive income for the quarter	-	-	-	189	-	-	(359)	(170)
<b>As at 31 March 2015</b>	80,000	-	(16,833)	637	-	-	24,629	88,433

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 2014 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 31 MARCH 2015**  
(The figures have not been audited)

	<b>Cumulative</b>	
	<b>9 months ended 31 March</b>	
	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Profit before tax	2,862	9,434
Adjustments for:		
Allowance for debts	-	200
Depreciation and amortisation	1,041	1,248
Gains arising from disposal of land and subsidiary	(3,097)	-
Gains on foreign exchange (unrealised)	-	(21)
(Gains on Fair value)/Impairment on quoted shares	(352)	13
Interest expense	30	75
Gains on disposal of plant & equipment	(97)	(300)
	<u>387</u>	<u>10,649</u>
Changes in working capital:		
Inventories	2,544	6,175
Receivables	8,245	809
Short term investments	(10,504)	5,023
Payables	7,699	(8,558)
Cash generated from operations	<u>8,371</u>	<u>14,098</u>
Interest paid	(30)	(75)
Taxes paid	(1,010)	(1,578)
Net cash generated from operating activities	<u>7,331</u>	<u>12,445</u>
<b>Cash Flows From Investing Activities</b>		
Purchase of Property, plant & equipment	(19,472)	(2,094)
Purchase of Quoted shares	(631)	-
Purchase of Master licence rights	(500)	-
Proceeds from disposal of plant & machinery	701	300
Proceeds from disposal of lands and shares in BHS Resources Pte. Ltd.	9,885	-
Proceeds from disposal of treasury shares	13,768	-
Net cash generated from/(used in) investing activities	<u>3,751</u>	<u>(1,794)</u>
<b>Cash Flows From Financing Activities</b>		
Decrease in borrowings	-	(2,431)
Dividend paid	(2,400)	(2,163)
Net cash used in financing activities	<u>(2,400)</u>	<u>(4,594)</u>
<b>Net Increase in cash and cash equivalents</b>	<b>8,682</b>	<b>6,057</b>
Effects of foreign exchange rate changes	-	142
Cash and cash equivalents at beginning	<u>11,125</u>	<u>2,193</u>
<b>Cash and cash equivalents at end #</b>	<b><u>19,807</u></b>	<b><u>8,392</u></b>

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the Interim Financial Statement.

# Please refer to Part A, Note 16 for the analysis of Cash and Cash equivalents

**BHS Industries Berhad ( Company no: 719660-W )**  
**Notes To The Interim Report**  
**For The Third Quarter Ended 31 March 2015**  
**(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 2014 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 2014 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:

	No of shares '000
-Bonus Issue of shares 1:1	40,000

Followed by share split involving the subdivision of every one existing BHS share into two ordinary shares of RM0.25 each in BHS.

**7 Dividend Paid**

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

**8 Non-current assets held for sale RM7,840,000**

	RM'000
Investment properties	6,794
Fixed deposit with a licensed bank	257
Bank balances	789
	<u>7,840</u>

In the EGM dated 18 July 2014, the shareholders voted to approve the disposal, the sale of 7 pieces of land and the shares in a subsidiary had been effected in the September 14 quarter.

**BHS Industries Berhad ( Company no: 719660-W )**  
**Notes To The Interim Report**  
**For The Third Quarter Ended 31 March 2015**  
**(The figures have not been audited)**

**9 Liabilities classified as held for sale RM1,007,000**

In the EGM dated 18 July 2014, the shareholders voted to approve the disposal, the sale of shares in the subsidiary had been effected in the Sept 14 quarter.

	RM'000
Liabilities:	
Other payables and accruals	109
Term loan	898
	<u>1,007</u>

**10 Segmental Information**

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

	3 months Ended 31 March 2015 RM'000	9 months Ended 31 March 2015 RM'000
<b>Geographical Segments</b>		
<b>Revenue</b>		
Export market	1,697	12,777
Local market	3,213	10,866
	<u>4,910</u>	<u>23,643</u>
<b>Results</b>		
Export market	(548)	(1,581)
Local market	(1,038)	(1,344)
Profit from operations	(1,586)	(2,925)
Add Other Income & Interest	1,103	5,787
	(483)	2,862
Less taxation	124	(15)
	<u>(359)</u>	<u>2,847</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.

**11 Valuation of Property, Plant and Equipment**

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

**12 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.

**13 Changes in the Composition of the Group**

During the Sept 14 quarter the Company disposed of its subsidiary, BHS Resources Pte. Ltd. On 17 March 2015, it incorporated a wholly owned subsidiary company, Nextgreen Pulp & Paper Sdn Bhd with an initial issue capital of RM2.

**BHS Industries Berhad ( Company no: 719660-W )**  
**Notes To The Interim Report**  
**For The Third Quarter Ended 31 March 2015**  
**(The figures have not been audited)**

**14 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 12 May 2015, the latest practicable date which is not earlier than 7 days from the date of issuance of these financial results.

**15 Capital Commitments**

As at 12 May 2015 (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.

**16 Cash and Cash Equivalents**

	<b>As at 31 March 2015</b>	<b>As at 30 June 2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash at bank	<u>19,807</u>	<u>11,125</u>

**BHS Industries Berhad ( Company no: 719660-W )**  
**Notes To The Interim Report**  
**For The Third Quarter Ended 31 March 2015**  
**(The figures have not been audited)**

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

**1 Analysis of performance**

	<b>3rd Quarter 31.03.2015 RM'000</b>	<b>3rd Quarter 31.03.2014 RM'000</b>
Revenue	<u>4,910</u>	<u>16,860</u>
Profit Before Tax (PBT)	<u>(483)</u>	<u>2,905</u>

The revenue had dropped from RM16.9 million in the preceding Mar 14 quarter to RM4.9 million in the current quarter. The outbreak of Ebola in the affected countries had dried up the print orders. As a result of smaller revenue, the Company was only able to operate at low capacity with higher operating costs which gave rise to a loss of RM483,000

**2 Variation of Results Against Preceding Quarter**

	<b>Current Quarter 31.03.2015 RM'000</b>	<b>Preceding Quarter 31.12.2014 RM'000</b>
Revenue	<u>4,910</u>	<u>5,453</u>
Profit Before Tax (PBT)	<u>(483)</u>	<u>(868)</u>

The low level of revenue did not enable the Company to operate optimally. A smaller loss of RM483,000 incurred was due to higher currency gains in the current quarter.

**3 Prospects**

The effects of the outbreak of Ebola in African continent had reduced substantially on the print orders received from these countries in the past six months. Although the situation has improved, the flow of printing orders have been slowed with lower quantity. Despite the foregoing, the Board is of the view that the Company is able to perform satisfactorily in the year ending 30 June 2015.

**4 Profit Forecast and Profit Guarantee**

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

**5 Taxation**

	<b>3 months Ended 31 March 2015 RM'000</b>	<b>9 months Ended 31 March 2015 RM'000</b>
Provision of Income tax	<u>124</u>	<u>(15)</u>

The provision of income tax is made based on the statutory tax rate of 25% in the YA 2015. The loss incurred in the 3 months had necessitated a write-back of the provision with only a provision of tax of RM15,000 for the 9 month period.



**BHS Industries Berhad ( Company no: 719660-W )**  
**Notes To The Interim Report**  
**For The Third Quarter Ended 31 March 2015**  
**(The figures have not been audited)**

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

	<b>3 months Ended 31 Mar 2015 RM'000</b>	<b>9 months Ended 31 Mar 2015 RM'000</b>
Depreciation and amortisation	354	1,041
Foreign exchange loss/(gains)	(1,049)	(2,098)
Gains arising from the disposal of land and shares in subsidiary	-	(2,916)
Unrealised gains on short term investments	(198)	(504)
Fair value gains on investment in quoted shares	(352)	(352)

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 did not have any borrowing or debt securities in the quarter under review.

**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 proposed a final tax exempt dividend of 6% or 3 sen per share for the financial year ended 30 June 2014 which was approved by the shareholders in the AGM held on 13 December 2014. The dividend was duly paid on 8 January 2015.

**10 Retained profits/(accumulated losses) of the Group**

	<b>RM' 000</b>
- Realised	27,778
-Unrealised	(1,260)
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	26,518
Less Consolidated adjustment	(1,889)
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Total group's retained profits	<u>24,629</u>

**BHS Industries Berhad ( Company no: 719660-W )**  
**Notes To The Interim Report**  
**For The Third Quarter Ended 31 March 2015**  
**(The figures have not been audited)**

**11 Earnings Per Share**

Basic earnings per share is calculated by dividing net profit 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:

	<b>3 months Ended 31 Mar 2015 RM'000</b>	<b>9 months Ended 31 Mar 2015 RM'000</b>
Profit/(Loss) attributable to shareholders	<u>(359)</u>	<u>2,847</u>
Weighted average number of shares in issue ('000) (Excluding treasury shares)	<u>167,999</u>	<u>105,333</u>
Basic earnings per share (sen)	<u>(0.21)</u>	<u>2.70</u>

**12 Corporate Proposals**

Corporate proposals for the quarter under review are as follows:

1. Bonus issue of up to 80,000,000 BHS shares on the basis of (1) bonus share for every one existing BHS share held on the entitlement date of 26 February 2015; and
2. Share split involving the subdivision of every one (1) existing BHS share into two (2) ordinary shares of RM0.25 each in BHS; the issuance of bonus shares is carried out concurrently with the share split so that bonus shares to be issued in the form of the subdivided shares;
3. The Company had on 15 December 2014 announced its intention to seek shareholders' approval for the Proposed share buy-back authority.

In the EGM convened on 29 January 2015, the shareholders approved the above proposals.

**13 Authorisation for Issue**

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