

**BSL CORPORATION BERHAD**  
(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 28 FEBRUARY 2014**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 28-Feb-14 RM'000	PRECEDING YEAR QUARTER 28-Feb-13 RM'000	CURRENT YEAR TO DATE 28-Feb-14 RM'000	PRECEDING YEAR TO DATE 28-Feb-13 RM'000
<b>Continuing Operations</b>				
Revenue	22,079	26,587	45,425	58,926
Cost of sales	(22,876)	(25,876)	(46,705)	(55,594)
<b>Gross profit/(loss)</b>	<b>(797)</b>	<b>711</b>	<b>(1,280)</b>	<b>3,332</b>
Other Income	235	22	828	65
Other expenses	(1,603)	(1,519)	(3,119)	(3,249)
<b>Results from operating activities</b>	<b>(2,165)</b>	<b>(786)</b>	<b>(3,571)</b>	<b>148</b>
Interest expense	(233)	(404)	(468)	(766)
Interest income	103	112	175	162
Share of result of associate	(333)	(228)	(632)	(343)
<b>Profit/ (Loss) before tax</b>	<b>(2,628)</b>	<b>(1,306)</b>	<b>(4,496)</b>	<b>(799)</b>
Income tax expense	(23)	59	(41)	8
<b>Profit/(Loss) for the year from continuing operations</b>	<b>(2,651)</b>	<b>(1,247)</b>	<b>(4,537)</b>	<b>(791)</b>
<b>Discontinued operations</b>				
Profit for the year from discontinued operations	-	-	-	-
<b>Profit / (Loss) for the year</b>	<b>(2,651)</b>	<b>(1,247)</b>	<b>(4,537)</b>	<b>(791)</b>
<b>Other comprehensive income:</b>				
Exchange differences on translation of foreign operations	(6)	(240)	(8)	(352)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>(2,657)</b>	<b>(1,487)</b>	<b>(4,545)</b>	<b>(1,143)</b>
Profit/(Loss) attributable to :				
Equity holders of the company	(2,653)	(1,295)	(4,564)	(853)
Non-controlling interest	2	48	27	62
	<b>(2,651)</b>	<b>(1,247)</b>	<b>(4,537)</b>	<b>(791)</b>
Total comprehensive income attributable to :				
Equity holders of the company	(2,659)	(1,535)	(4,572)	(1,205)
Non-controlling interest	2	48	27	62
	<b>(2,657)</b>	<b>(1,487)</b>	<b>(4,545)</b>	<b>(1,143)</b>
<b>Basic Earnings/(Loss) Per Share based on the weighted average</b>				
number of shares in issue (Sen)				
Continuing Operations	(2.74)	(1.34)	(4.71)	(0.88)
Discontinuing Operations	-	-	-	-
	<b>(2.74)</b>	<b>(1.34)</b>	<b>(4.71)</b>	<b>(0.88)</b>

Notes:

The Unaudited Condensed Consolidated Statements Of Comprehensive Income should be read in conjunction with the Annual Financial Statements of BSL Corporation Berhad for the financial year ended 31 August 2013.

**BSL CORPORATION BERHAD**  
(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS OF 28 FEBRUARY 2014**

	Note	As at 28-Feb-14 RM'000	As at 31-Aug-13 RM'000
<b>ASSETS</b>			
<b>Non current assets</b>			
Property, plant and equipment		71,481	68,410
Investment in an associate company		512	1,145
<b>Total non current assets</b>		<u>71,993</u>	<u>69,555</u>
<b>Current assets</b>			
Inventories		9,333	9,877
Trade receivables		13,771	17,177
Other receivables		682	2,023
Cash and bank balances		25,267	28,751
<b>Total current assets</b>		<u>49,053</u>	<u>57,828</u>
<b>Total assets</b>		<u>121,046</u>	<u>127,383</u>
<b>Equity and liabilities</b>			
<b>Capital and reserves</b>			
Share capital		49,000	49,000
Share premium		1,767	1,767
Treasury shares		(403)	(387)
Reserves		26,127	30,691
<b>Equity attributable to equity holders of the parent</b>		<u>76,491</u>	<u>81,071</u>
Non-controlling interest		4,934	4,907
<b>Total equity</b>		<u>81,425</u>	<u>85,978</u>
<b>Non current liabilities</b>			
Long term borrowings		16,432	17,896
Deferred taxation liabilities		1,970	1,970
<b>Total non current liabilities</b>		<u>18,402</u>	<u>19,866</u>
<b>Current liabilities</b>			
Trade payables		8,640	9,812
Other payables		4,659	3,687
Short term borrowings		7,737	7,985
Tax liabilities		183	55
<b>Total current liabilities</b>		<u>21,219</u>	<u>21,539</u>
<b>Total liabilities</b>		<u>39,621</u>	<u>41,405</u>
<b>Total equity and liabilities</b>		<u>121,046</u>	<u>127,383</u>
Net Assets per share attributable to ordinary equity holders of the parent (RM)		<u>0.79</u>	<u>0.84</u>

Notes :

The Unaudited Condensed Consolidated Statements Of Financial Position should be read in conjunction with the Annual Financial Statements of BSL Corporation Berhad for the financial year ended 31 August 2013.

**BSL CORPORATION BERHAD**  
(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 NOVEMBER 2013**

	<i>Non-distributable</i>				<i>Distributable</i>			Total RM'000	
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Foreign currency translation reserve RM'000	Treasury Shares RM'000	Retained Profit RM'000	Attributable to Equity Holders of the Parent RM'000		Non-controlling Interest RM'000
Balance as at 1 September 2013	49,000	1,767	-	114	(387)	30,577	81,071	4,907	85,978
Share of profit guarantee by non-controlling interest Treasury shares	-	-	-	-	-	-	-	-	-
Revalue of freehold land & building	-	-	-	-	(16)	-	(16)	-	(16)
Profit for the period	-	-	-	-	-	(4,564)	(4,564)	27	(4,537)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	(4,564)	(4,564)	27	(4,537)
Balance as at 28 February 2014	49,000	1,767	-	114	(403)	26,013	76,491	4,934	81,425

	<i>Non-distributable</i>				<i>Distributable</i>			Total RM'000	
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Foreign currency translation reserve RM'000	Treasury Shares RM'000	Retained Profit RM'000	Attributable to Equity Holders of the Parent RM'000		Non-controlling Interest RM'000
Balance as at 1 September 2012 (restated)	49,000	1,767	-	326	(367)	34,857	85,583	4,721	90,304
Share of profit guarantee by non-controlling interest Treasury shares	-	-	-	-	-	-	-	-	-
Revalue of freehold land & building	-	-	-	-	(5)	-	(5)	-	(5)
Profit for the period	-	-	-	(11)	-	(853)	(853)	62	(791)
Other comprehensive income for the period	-	-	-	(11)	-	-	(11)	-	(11)
Total comprehensive income for the period	-	-	-	(11)	-	(853)	(853)	62	(802)
Balance as at 28 February 2013	49,000	1,767	-	315	(372)	34,004	84,714	4,783	89,497

Notes :

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements of BSL Corporation Berhad for the financial year ended 31 August 2013.

**BSL CORPORATION BERHAD**  
(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 28 FEBRUARY 2014**

	28-Feb-14 RM'000	28-Feb-13 RM'000
<b>Cash flows from operating activities</b>		
Profit for the year	(4,537)	(791)
Adjustments for:		
Non-cash items	4,205	4,539
Non-operating items	<u>1,925</u>	<u>760</u>
Operating profit before working capital changes	1,593	4,508
(Increase)/Decrease in working capital:		
Inventories	544	655
Receivables	3,631	5,565
Payables	<u>(200)</u>	<u>(3,216)</u>
Cash generated from operations	5,568	7,512
Income tax (paid) / refund	<u>(600)</u>	<u>(210)</u>
<b>Net cash from / (used in) operating activities</b>	<u>4,968</u>	<u>7,302</u>
<b>Cash flows from investing activities</b>		
Interest received	175	162
Proceeds from disposal of property, plant and equipment	592	-
Purchase of property, plant and equipment	<u>(6,367)</u>	<u>(5,154)</u>
<b>Net cash from / (used in) investing activities</b>	<u>(5,600)</u>	<u>(4,992)</u>
<b>Cash flows from/(used in) financing activities</b>		
Net increase / (decrease) in bank borrowings	(2,610)	(1,217)
Interest paid	(468)	(766)
Purchase of treasury share	<u>-</u>	<u>(5)</u>
<b>Net cash from financing activities</b>	<u>(3,078)</u>	<u>(1,988)</u>
Net increase / (decrease) in cash and cash equivalents	(3,710)	322
Cash and cash equivalents at beginning of financial year	<u>25,842</u>	<u>29,045</u>
Cash and cash equivalents at end of financial year	<u><u>22,132</u></u>	<u><u>29,367</u></u>
<b>Cash and cash equivalents at end of year comprise:</b>		
Cash and bank balances	7,792	14,300
Deposits in licensed banks	17,474	18,563
Bank overdrafts	<u>(2,531)</u>	<u>(2,892)</u>
	22,735	29,971
Less : Fixed deposit pledged to licensed bank	<u>(603)</u>	<u>(604)</u>
	<u><u>22,132</u></u>	<u><u>29,367</u></u>

Notes :

The Unaudited Condensed Consolidated Statement Of Cash Flow should be read in conjunction with the Annual Financial Statements of BSL Corporation Berhad for the financial year ended 31 August 2013.

**Notes on the quarterly report – 28 February 2014**

**PART A: EXPLANATORY NOTES PURSUANT TO FRS 134**

**A1. Basis of preparation**

The interim financial statements of BSL Corporation Berhad (“BSL”) are unaudited and have been prepared in accordance with the requirements of the Malaysian Financial Reporting Standard (MFRS) 134 - Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 August 2013.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 August 2013 except for the new Malaysian Financial Reporting Standards (“MFRS”), Amendments to MFRSs and IC Interpretation which the Group adopted to the extent of the applicability from its financial year beginning from 1 September 2013.

The adoption of the followings new MFRSs, Amendments to MFRSs and IC Interpretation that came into effect on 1 April 2013 will have no material impact on the financial statements of the Group:

	<u>Effective for annual periods</u>
<u>MFRSs, Amendments to MFRSs and IC Interpretation</u>	<u>Beginning on or after</u>
MFRS 10 Consolidated Financial Statements	1 January 2013
MFRS 11 Joint Arrangements	1 January 2013
MFRS 12 Disclosure of interests in Others Entities	1 January 2013
MFRS 13 Fair Value Measurement	1 January 2013
MFRS 119 Employee Benefits	1 January 2013
MFRS 127 Separate Financial Statements	1 January 2013
MFRS 128 Investments in Associates and Joint Ventures	1 January 2013
Amendments to MFRS 7 Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 101 Presentation of Items of Other Comprehensive Income	1 July 2012

At the date of authorization of the interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

	<u>Effective for annual periods</u>
<u>MFRSs, Amendments to MFRSs and IC Interpretation</u>	<u>Beginning on or after</u>
Amendments to MFRS 132 Offsetting Financial Assets and Financial Liabilities	1 January 2014
MFRS 9 Financial Instruments (IFRS9)	1 January 2015

**Notes on the quarterly report – 28 February 2014**

**A2. Qualification of annual financial statements**

There were no audit qualifications on the financial statements of the Company for the year ended 31 August 2013.

**A3. Seasonal and cyclical factors**

The Group's business operation results were not materially affected by any major seasonal or cyclical factors.

**A4. Unusual nature and amounts of items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual nature and amounts of items affecting assets, liabilities, equity, net income or cash flows during the current quarter under review.

**A5. Material changes in estimates**

There were no material changes in estimates of amounts reported in the current quarter under review.

**A6. Issuances and repayment of debt and equity securities**

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the current quarter under review.

**A8. Dividend paid**

There was no dividend paid by the Company during the quarter under review.

**Notes on the quarterly report – 28 February 2014**

**A9. Segment information**

Segmental information from continuing operations is presented in respect of the Group's business segment.

	<b>Investment holding</b>	<b>Precision stamping and tooling</b>	<b>Printed Circuit Board ("PCB") and module assembly</b>	<b>Fabrication and forging</b>	<b>Others</b>	<b>Elimination</b>	<b>Consolidated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
External sales	-	32,833	8,570	3,987	35	-	45,425
Inter-segment sales	-	-	25	83	-	(108)	-
<b>Total revenue</b>	<b>-</b>	<b>32,833</b>	<b>8,595</b>	<b>4,070</b>	<b>35</b>	<b>(108)</b>	<b>45,425</b>
<b>Results</b>							
Segment results	(42)	(1,097)	(2,150)	(256)	(26)		(3,571)
Loss from operations							(3,571)
Interest expense							(468)
Interest income							175
Share of results of associate							(632)
Loss before tax							(4,496)
Income tax expense							(41)
<b>Loss for the year</b>							<b>(4,537)</b>
<b>Attributable to:</b>							<b>=====</b>
Equity holders of the parent							(4,564)
Minority interest							27
							<b>(4,537)</b>

**Notes on the quarterly report – 28 February 2014**

**A10. Material events subsequent to the end of the interim period**

Save as disclosed below, there were no material events subsequent to the current quarter ended 28 February 2014 up to the date of this report, which are likely to substantially affect the results of the operations of the Group.

**A11. Changes in the composition of the Group**

There were no changes in the composition of the Group during the current quarter under review.

**A12. Changes in contingent liabilities**

There were no changes on contingent liabilities and contingent assets of a material nature since the last balance sheet date until the date of this announcement, except for: Corporate guarantees amounting to RM25.39 million given by the Company to financial institutions for credit facilities granted to the subsidiary companies.

**A13. Capital commitments**

	<b>Approved and contracted for RM'000</b>	<b>Approved but not contracted for RM'000</b>
Purchase of property, plant and machinery	37	-



**Notes on the quarterly report – 28 February 2014**

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS**

**B1. Review of performance**

For the quarter ended 28 February 2014, the Group achieved a revenue of RM22.08 million and a loss after tax of RM2.65 million, compared to a loss after tax of RM1.25 million for the corresponding quarter last year.

The performance of each operating segment is as follows:

Precision stamping & tooling segment

This segment recorded a revenue of RM16.02 million and a loss of RM0.84million for the financial period ended 28 February 2014 as compared to a revenue of RM18.29 million and a profit of RM0.03million for the corresponding period last year.

The decline in revenue was mainly due to slowdown in orders from some customers particularly for components for LCD TV.

Printed circuit board (“PCB”) & module assembly segment

This segment recorded a revenue of RM3.82 million and a loss of RM1.41 million for the financial period ended 28 February 2014 as compared to a revenue of RM5.68 million and a loss of RM1.12 million for the corresponding period last year.

The decline in revenue was mainly due to drop in orders from audio assembly and consumer electronics.

Fabrication & forging segment

This segment recorded a revenue of RM2.27 million and a loss of RM0.14 million for the financial period ended 28 February 2014 as compared to a revenue of RM2.72 million and a profit of RM0.07 million for the corresponding period last year.

The decline in revenue was mainly due to drop in order for steel forging parts.

**B2. Variation of results against preceding quarter**

Total Group revenue was at RM22.08 million, a decrease of 5.43% compared to the preceding quarter. The Group recorded a loss before tax of RM2.63 million for the current quarter ended 28 February 2014 as compared to a loss before tax of RM1.87 million in the preceding quarter.

The decrease in revenue was mainly due to drop in orders from clients involved in electrical and electronic businesses.

**B3. Current year prospects**

The Board foresees the current year’s prospect to be challenging due to the uncertain global economics environment.

**Notes on the quarterly report – 28 February 2014**

The Group will further its effort in promoting the EMS (Electronic Manufacturing Services) business model and to bring in new clients from other sectors. Furthermore we will consolidate and centralize our operation in Rawang to further reduce our operating cost.

**B4. Variance of actual and forecast profit**

The Group had not provided any profit forecast for the current financial year ended 31 August 2014.

**B5. Profit/(Loss) for the period**

Profit/(loss) for the period is arrived at after charging/(crediting):-	<b>Current Quarter 28.02.2014 RM'000</b>	<b>Current year To date 28.02.2014 RM'000</b>
Depreciation of property, plant & equipment	1,638	3,307
Finance cost	233	468
Loss/(Gain) on disposal of property, plant & equipment	11	334
Net foreign exchange loss/(gain)	14	14
Interest income	(103)	(175)
Bad debts written off	-	-

**B6. Tax expense**

	<b>Current Quarter 28.02.2014 RM' 000</b>	<b>Current year To date 28.02.2014 RM' 000</b>
Current tax expense	24	56
Current deferred tax expense	(1)	(15)
Overprovision of deferred tax in prior year	-	-
	23	41

The effective tax rate was higher than the statutory tax rate of 25% mainly because certain expenses were non-deductible.

**B7. Unquoted investments and/or properties**

The Group has not disposed off any investments in any unquoted investments and/or properties during the financial quarter under review.

**B8. Quoted and marketable investments**

There was no purchase or disposal of quoted securities during the current quarter.

**Notes on the quarterly report – 28 February 2014**

**B9. Status of corporate proposal announced**

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

**B10. Group borrowings**

The Group's borrowings as at the end of the reporting quarter were as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
<b>Short term</b>			
Bank overdrafts	2,532	-	2,532
Trust receipts, bankers' acceptance & revolving credit	1,576	-	1,576
Term loans	2,627	-	2,627
Hire purchase	1,002	-	1,002
	<u>7,737</u>	-	<u>7,737</u>
<b>Long term</b>			
Terms loans	16,145	-	16,145
Hire purchase	287	-	287
	<u>16,432</u>	-	<u>16,432</u>
	<u>24,167</u>	-	<u>24,167</u>

*All borrowings are denominated in Ringgit Malaysia*

**B11. Realised and unrealised profit/(loss) disclosure**

	As at 28 February 2014 RM'000
Total retained profit of BSL and its subsidiaries	
-Realised	28,727
-Unrealised	(1,970)
	----- 26,757
Total retained profit/(loss) from associated company	
-Realised	(630)
-Unrealised	-
	----- (630)
<b>Total group retained profits as per consolidated accounts</b>	----- 26,127 =====

**Notes on the quarterly report – 28 February 2014**

**B12. Off balance sheet financial instrument**

There are no financial instruments with off balance sheet risk as at the end of the financial year to the date of this announcement.

**B13. Changes in material litigation**

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

**B14. Dividends**

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

**B15. Basic earnings per share**

The basic earnings per share for the current quarter and cumulative year to date are computed as follows:-

	<b>Individual Current Year Quarter 28.02.14</b>	<b>Preceding Year Quarter 28.02.13</b>	<b>Cumulative Current Year to Date 28.02.14</b>	<b>Preceding Year to date 28.02.13</b>
Profit/(Loss) attributable to equity holders of the parent from continuing operation (RM'000)	(2,653)	(1,295)	(4,564)	(853)
Profit/(Loss) attributable to equity holders of the parent from discontinued operation (RM'000)	-	-	-	-
Profit/(Loss) attributable to equity holders of the parent (RM'000)	(2,653)	(1,295)	(4,564)	(853)
Weighted average number of ordinary shares of RM0.50 each in issue ('000)	96,865	96,936	96,865	96,936
Basic Earnings/(Loss) Per Share based on the weighted average number of shares in issue (sen) for:				
Profit from continuing operations	(2.74)	(1.34)	(4.71)	(0.88)
Profit/(Loss) from discontinued operations	-	-	-	-
Total (sen)	(2.74)	(1.34)	(4.71)	(0.88)

**Notes on the quarterly report – 28 February 2014**

**B16. Authorisation for issue**

This quarterly report was authorized for issue by the Board of Directors in accordance with the resolution of the directors on 28 April 2014.

By order of the Board

Ngiam Tong Kwan  
Executive Chairman  
Selangor  
28 April 2014