

Quarterly Unaudited Results Of The Group For The 2nd Quarter Ended 30 June 2023
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2023**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30-Jun-23 RM'000	PRECEDING YEAR QUARTER 30-Jun-22 RM'000	CURRENT YEAR TO DATE 30-Jun-23 RM'000	PRECEDING YEAR TO DATE 30-Jun-22 RM'000
Revenue	27,797	-	57,404	-
Cost of sales	(29,913)	-	(58,786)	-
Gross loss	(2,116)	-	(1,382)	-
Other income	1,477	-	3,224	-
Administrative expenses	(1,808)	-	(4,075)	-
Other operating expenses	(1,574)	-	(9,778)	-
	(4,021)	-	(12,011)	-
Finance cost	(181)	-	(647)	-
Loss before tax	(4,202)	-	(12,658)	-
Tax expense	(38)	-	(143)	-
Loss for the financial period	(4,240)	-	(12,801)	-
Other Comprehensive Income:				
<i>Items that will be subsequently reclassified to profit or loss</i>				
Fair value gain on investment of equity instruments	139	-	139	-
Exchange differences on translation of foreign operations	460	-	760	-
Total comprehensive loss for the financial period	(3,641)	-	(11,902)	-
Loss for the financial period attributable to:				
Owners of the company	(4,374)	-	(12,988)	-
Non-controlling interest	134	-	187	-
	(4,240)	-	(12,801)	-
Total comprehensive loss attributable to:				
Owners of the company	(3,775)	-	(12,089)	-
Non-controlling interest	134	-	187	-
	(3,641)	-	(11,902)	-
Basic and diluted loss per share (sen)	(2.26)	-	(10.29)	-

Note:

- There is no comparative financial information available as the Group changed its financial year end to 31 December in 2022.
- The Unaudited Condensed Consolidated Statement Of Profit Or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements of BSL Corporation Berhad for the financial period ended 31 December 2022.

Quarterly Unaudited Results Of The Group For The 2nd Quarter Ended 30 June 2023**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023**

	As at 30-Jun-23 (Unaudited) RM'000	As at 31-Dec-22 (Audited) RM'000
Assets		
Non-current assets		
Property, plant and equipment	89,234	91,507
Right-of-use assets	3,816	3,328
Goodwill	2,925	2,925
Other investments	6,220	11,234
Total non-current assets	<u>102,195</u>	<u>108,994</u>
Current assets		
Inventories	14,169	15,608
Trade receivables	17,031	21,837
Other receivables	11,740	23,375
Current tax assets	3,335	2,020
Short-term deposits with licensed banks	125,227	19,105
Cash and bank balances	4,572	11,502
Total current assets	<u>176,074</u>	<u>93,447</u>
Total assets	<u>278,269</u>	<u>202,441</u>
Equity and liabilities		
Equity		
Share capital	146,254	75,608
Treasury shares	(459)	(459)
Reserves	67,779	59,535
Equity attributable to owners of the company	<u>213,574</u>	<u>134,684</u>
Non-controlling interests	2,900	2,713
Total equity	<u>216,474</u>	<u>137,397</u>
Non-current liabilities		
Term loans	2,994	4,714
Hire purchase liabilities	2,144	1,470
Lease liabilities	1,259	2,298
Deferred tax liabilities	5,771	5,788
Total non-current liabilities	<u>12,168</u>	<u>14,270</u>
Current liabilities		
Trade payables	17,680	20,547
Other payables	4,898	6,462
Provision	11,332	11,332
Hire purchase liabilities	1,611	1,047
Lease liabilities	2,819	1,111
Bank borrowings	8,433	1,720
Term loans	2,462	8,232
Current tax liabilities	392	323
Total current liabilities	<u>49,627</u>	<u>50,774</u>
Total liabilities	<u>61,795</u>	<u>65,044</u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023
(CONT'D)**

	RM'000	RM'000
Total equity and liabilities	<u>278,269</u>	<u>202,441</u>
Net assets per share (RM) attributable to owners of the company	<u>0.11</u>	<u>0.49</u>

Note:

1. There is no comparative financial information available as the Group changed its financial year end to 31 December in 2022.
2. The Unaudited Condensed Consolidated Statement Of Financial Position should be read in conjunction with the Annual Financial Statements of BSL Corporation Berhad for the financial period ended 31 December 2022.

BSL CORPORATION BERHAD (Registration No. 200401012615 (651118-K))

Quarterly Unaudited Results Of The Group For The 2nd Quarter Ended 30 June 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2023

	<i>Non-distributable</i>					<i>Distributable</i>		Non-controlling Interest	Total
	Share Capital	Warrants Reserve	Foreign Currency Translation Reserve	Revaluation Reverse	Fair Value Reserve	Treasury Shares	Retained Profit		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2023	75,608	-	(977)	35,149	(3,152)	(459)	28,515	2,713	137,396
Warrant Reserve	(20,332)	20,332	-	-	-	-	-	-	-
Loss for the period	-	-	-	-	-	-	(12,988)	187	(12,800)
Other comprehensive income for the period:									
<i>Fair value gain on investment of equity instruments</i>	-	-	-	-	139	-	-	-	139
<i>Foreign currency translation differences</i>	-	-	760	-	-	-	-	-	760
Total comprehensive loss for the period	-	-	760	-	139	-	(12,988)	187	(11,901)
Issuance of shares in pursuant to:									
Right issue exercised	90,979	-	-	-	-	-	-	-	90,979
At 30 June 2023	<u>146,254</u>	<u>20,332</u>	<u>(217)</u>	<u>35,149</u>	<u>(3,013)</u>	<u>(459)</u>	<u>15,528</u>	<u>2,900</u>	<u>216,474</u>

Note:

1. There is no comparative financial information available as the Group changed its financial year end to 31 December in 2022.
2. 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 period ended 31 December 2022.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS AS AT 30 JUNE 2023

	Cumulative Current Year To Date 30-Jun-23 RM'000	Cumulative Preceding Year To Date 30-Jun-22 RM'000
Cash flows from operating activities		
Loss before tax	(12,658)	-
Adjustments for:		
Fair value changes in investment of equity instruments	139	-
Depreciation of property, plant and equipment	2,054	-
Depreciation of right-of-use assets	623	-
Gain on disposal of property, plant and equipment	(226)	-
Loss on disposal of other investment (quoted shares)	1,667	-
Fair value loss on other investment (quoted shares)	570	-
Interest expense	647	-
Interest income from short term deposit	(1,178)	-
Operating loss before working capital changes	<u>(8,362)</u>	<u>-</u>
Change in working capital:		
Inventories	1,439	-
Receivables	16,290	-
Payables	(3,835)	-
Cash generated from operations	<u>5,532</u>	<u>-</u>
Income tax paid	(1,233)	-
Net cash generated from operating activities	<u>4,299</u>	<u>-</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(377)	-
Purchase of other investment (quoted shares)	(531)	-
Proceeds from disposal of property, plant and equipment	226	-
Proceeds from disposal of other investment (quoted shares)	3,804	-
Interest received	1,178	-
Net cash generated from investing activities	<u>4,300</u>	<u>-</u>
Cash flows from financing activities		
Drawdown of hire purchase liabilities	1,986	-
Repayment of hire purchase liabilities	(748)	-
Drawdown of term loans	117	-
Repayment of term loans	(7,607)	-
Change in short-term deposits pledged with licensed bank	576	-
Drawdown of bank borrowings	10,787	-
Repayment of bank borrowings	(4,074)	-
Issuance of share capital	90,979	-
Payment of lease liabilities	(698)	-

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS AS AT 30 JUNE 2023
(CONT'D)**

	RM'000	RM'000
Interest paid	(647)	-
Net cash generated from financing activities	<u>90,671</u>	<u>-</u>
Net increase in cash and cash equivalents	99,270	-
Effect of exchange translation differences on cash and cash equivalents	498	-
Cash and cash equivalents at beginning of financial period	<u>30,031</u>	<u>-</u>
Cash and cash equivalents at end of financial period *	<u><u>129,799</u></u>	<u><u>-</u></u>
* Cash and cash equivalents at end of quarter comprise:		
Cash and bank balances	4,572	-
Short-term deposits with licensed banks	<u>125,227</u>	<u>-</u>
	<u><u>129,799</u></u>	<u><u>-</u></u>

Note:

1. There is no comparative financial information available as the Group changed its financial year end to 31 December in 2022.
2. The Unaudited Condensed Consolidated Statement Of Cash Flows should be read in conjunction with the Annual Financial Statements of BSL Corporation Berhad for the financial period ended 31 December 2022.

PART A: NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2023

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standard (“MFRS”) 134 “Interim Financial Reporting” and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group’s audited financial statements for the financial period ended 31 December 2022 and the accompanying explanatory notes. The explanatory notes attached to the interim financial statements provides an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial period ended 31 December 2022.

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the financial period ended 31 December 2022. The adoption of the new/amended MFRS and its amendments does not give rise to any adjustment to the opening balances of retained profit of prior period and current period or changes in comparatives.

A2. Qualification of Annual Financial Statements

There were no audit qualifications on the financial statements for the financial period ended 31 December 2022.

A3. Seasonal and Cyclical Factors

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

A4. Nature and Amounts of Unusual Items

There were no unusual 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. Dividend Paid

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

A7. Issuance of Debt & Equity Securities

There were no issuance, cancellations, or repayments of debts and equity securities, share buy backs, share cancellations, shares held as treasury shares, repurchase and resale of treasury shares for the current financial quarter under review. The total number of treasury shares held was 2,728,226 ordinary shares as at 30 June 2023.

Quarterly Unaudited Results Of The Group For The 2nd Quarter Ended 30 June 2023

The total issued share capital of the Group at the end of current financial period is 1,932,812,532, after taking into account treasury shares held. (See note B9 (i)).

This includes a total of 1,654,156,234 rights shares which were issued in the preceding quarter.

A8. Segmental Reporting

Segmental information from continuing operations is presented in respect of the Group's business segments for the year to date ended 30 June 2023 as below:

2nd quarter ended 30 June 2023

	Investment Holding	Precision Stamping and Tooling	PCB Assembly	Others	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External sales	-	26,775	906	116	-	27,797
Inter-segment sales	-	27	138	-	(165)	-
	-	26,802	1,044	116	(165)	27,797
Results:						
Segment results	(516)	(3,510)	(741)	253	(87)	(4,601)
Loss from operation						(4,601)
Finance cost						(181)
Finance income						580
Loss before tax						(4,202)
Tax expense						(38)
Loss for the period						(4,240)

Cumulative 2nd quarter ended 30 June 2023

	Investment Holding	Precision Stamping and Tooling	PCB Assembly	Others	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External sales	-	54,507	2,637	260	-	57,404
Inter-segment sales	-	62	157	-	(219)	-
	-	54,569	2,794	260	(219)	57,404
Results:						
Segment results	(6,918)	(4,917)	(1,182)	(86)	(86)	(13,189)
Loss from operation						(13,189)
Finance cost						(647)
Finance income						1,178
Loss before tax						(12,658)
Tax expense						(143)
Loss for the period						(12,801)

Assets and liabilities as at 30 June 2023

	Investment Holding	Precision Stamping and Tooling	PCB assembly	Others	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment assets	181,859	156,816	6,033	18,487	(84,926)	278,269
Segment liabilities	21,159	45,270	16,301	3,727	(24,662)	61,795

A9. Valuation of property, plant and equipment

There was no valuation of property, and plant and equipment carried out during the quarter under review

A10. Material events subsequent to the end of the interim period**(i) Judicial Review Against Bills of Demand issued by Royal Malaysian Customs Selangor**

On 19 December 2014, BSL Electronics & Technologies Sdn. Bhd. [formerly known as Crestronics (M) Sdn. Bhd. (“BSLET”) (a wholly-owned subsidiary of the Company)] had received bills of demand from the Royal Malaysian Customs Selangor, being the relevant authority, demanding payment of sales tax and import duties amounting to RM11.1 million for the period from December 2011 to July 2014 of which BSLET disputed. The Directors have obtained advice from a consultant, and based on the advice received, the Directors are of the view that BSLET should only be liable for up to RM0.2 million and a provision for this had been made in the financial statements. The remaining balance of the claim of RM10.9 million represents a contingent liability which is subject to appeal to the authority.

On 30 December 2014, BSLET appealed to the relevant authority. Subsequently, on 15 September 2015, the authority rejected the appeal with no specific reason mentioned.

On 5 November 2015, BSLET appealed to the relevant authority again. However, on 28 June 2017, BSLET received a letter from the relevant authority that the appeal against bills of demand has been rejected and further appeal will not be considered. Thereafter, the Directors engaged another consultant to look into this matter to appeal to Minister of Finance.

On 30 January 2018, BSLET submitted remission application to the Ministry of Finance. Subsequently, on 10 April 2018, the Ministry of Finance rejected the application with no specific reason mentioned.

On 5 July 2018, BSLET, through its appointed solicitor filed in an application for judicial review to the High Court.

On 6 January 2020, the High Court dismissed BSLET’s judicial review application, BSLET proceeded to file a notice of appeal on 14 January 2020 (“Appeal”) to the Court of Appeal in relation to the High Court’s decision to dismiss BSLET’s judicial review application. The High Court had on 17 February 2020 granted BSLET a stay of execution in respect of the bills of demand until the disposal of the Appeal at the Court of Appeal.

Panasonic Manufacturing Malaysia Berhad (“PMMA”) had submitted a notice of motion (“Motion”) for, amongst others, PMMA to be granted leave to intervene to be heard in the Appeal filed by BSLET and the hearing and determination of the Appeal be stayed pending disposal of the Motion.

PMMA claimed, amongst others, that:-

- (a) The subject matter of the Appeal which essentially concerns the dispute on the sales tax and import duties imposed by the Director General of Customs on BSLET in respect of the transactions arising from the sale and purchase agreement between BSLET and PMMA, is similar to the subject matter of the BSLET’s originating summons filed against PMMA. (as set out in Section A10 (ii) below);
- (b) As PMMA has a direct interest in the subject matter of the Appeal, the presence of PMMA in the Appeal is necessary and crucial to ensure that all matters in dispute are heard and adjudicated fairly, effectually and completely; and
- (c) One of the main grounds in BSLET’s judicial review application was that the PMMA has represented to BSLET that the PMMA has a Licensed Manufacturing Warehouse (“LMW”) status, which should and can only be properly answered by PMMA.

At a case management on 11 August 2021, the Court of Appeal instructed that the Appeal hearing initially scheduled on 17 August 2021 to be vacated and the hearing for the Motion to intervene is fixed on 1 November 2021.

On 1 November 2021, the Court of Appeal had allowed PMMA’s Motion to intervene BSLET’s Appeal proceedings at the Court of Appeal. On 30 November 2021, BSLET had filed an application for leave to appeal to the Federal Court against the Court of Appeal’s decision on 1 November 2021 to allow PMMA’s application to intervene.

On 24 May 2022, the Federal Court had allowed PMMA to intervene. On 29 June 2022, the Court of Appeal fixed the hearing date of the appeal on 10 May 2023.

On 10 May 2023, the Court of Appeal had fixed 12 October 2023 for the hearing of BSLET’s appeal in relation to the challenge against the bills of demand dated 19 December 2014 raised by the Royal Malaysian Customs Department for import duties and sales tax.

The solicitor of BSLET opines that BSLET has an arguable case to contend that there is no legal or factual basis for the 1st respondent (Ministry of Finance) to disallow BSLET’s claim for remission of import duties and sales tax and for the 2nd respondent (Royal Malaysian Customs Department) to raise the disputed bills of demand.

(ii) Originating Summons Against PMMA

BSLET had on 18 December 2020 filed via the High Court of Malaya in Kuala Lumpur and served an Originating Summons against PMMA. BSLET had filed the Originating Summons for declaratory relief concerning PMMA’s liability to pay to BSLET up to RM9,431,694.60 being import duties and sales tax from the economic transactions between BSLET and PMMA during the period from December 2011 to July 2014 which led to the majority of the total

claim of import duties and sales tax from the Royal Malaysian Customs Selangor on BSLET referred to in Section A10 (i) above.

PMMA had on 15 February 2021 filed an application to strike out the Originating Summons raised by BSLET. After the hearing for PMMA's application to strike out on 30 September 2021, the High Court of Malaya had decided to allow PMMA's application to strike out.

On 11 October 2021, BSLET filed a notice of appeal to the Court of Appeal to appeal against the decision of the High Court of Malaya in allowing such striking out of the Originating Summons whereby the hearing of the appeal was fixed on 16 August 2022. On 16 August 2022, the Court of Appeal had dismissed the said appeal by BSLET. BSLET has decided not to further appeal against the decision of the Court of Appeal to preserve relationship and business opportunities.

A11. Changes in the composition of the Group

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

A12. Changes in contingent liabilities

For the quarter ended 30 June 2023, outstanding corporate guarantees amounting to approximately RM21.4 million were given by the Company to financial institutions for credit facilities granted to subsidiary companies.

A13. Capital commitments

Capital commitments of the Group in respect of property, plant and equipment as at 30 June 2023 are as follows:-

Property, plant and equipment:-	RM'000
- Approved and contracted for	1,613
- Authorized but not contracted for	-

PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS**B1. Current Quarter's Performance Review**

The Group changed its financial year end to 31 December in 2022. As such there are no comparatives available for current quarter and year in review.

	Current Year Quarter 30-Jun-23 RM'000	Cumulative Quarter 30-Jun-23 RM'000
Revenue	27,797	57,404
Gross Loss	(2,116)	(1,382)
Loss Before Tax	(4,202)	(12,658)
Loss After Tax	(4,240)	(12,801)
Loss Attributable to Owners of the Company	(4,374)	(12,988)

The Group recorded revenue of RM57.4 million for the first six months and RM27.8 million for current financial quarter ended 30 June 2023. The Group's revenue was principally derived from the electrical and electronic segment, contributing approximately 52.0% of the total revenue for the first six months and 44.3% for current financial quarter ended 30 June 2023.

The Group registered loss before tax of RM12.7 million in first six months and RM4.2 million in the current financial quarter under review. The pre-tax loss is mainly attributable to loss on disposal of share investment incurred in preceding quarter, softer customers' demand and higher material cost arising from unfavourable foreign exchange and higher interest expense. Nevertheless, BSL Unify Pte Ltd, a subsidiary in Singapore, continued to show encouraging revenue and profit performance.

B2. Comparison with Immediate Preceding Quarter's Results

	Current Year Quarter 30-Jun-23 RM'000	Immediate Preceding Quarter 30-Jun-23 RM'000	Difference %
Revenue	27,797	29,607	(6.1%)
Gross Loss (Profit)	(2,116)	735	(387.9%)
Loss Before Tax	(4,202)	(8,456)	50.3%
Loss After Tax	(4,240)	(8,561)	50.5%
Loss Attributable to Owners of the Company	(4,374)	(8,613)	49.2%

The Group's revenue for the current quarter declined by RM1.8 million versus the immediate preceding quarter, was mainly attributable to softer demand in electrical and electronic segment even though the decline was in part offset by rising demand from agricultural segment.

The loss before tax improved by RM4.3 million versus the immediate preceding quarter, was mainly attributable to lower loss on disposal of share investment, fair value loss on share investment and rights issue expenses incurred. The pre-operating expenses incurred in semi-active subsidiary, BSL Unify (M) Sdn. Bhd., was another contributory factor which was fully commercialised during April, 2023.

B3. Commentary on Prospects

The Board anticipates that the Year 2023 will be challenging in view of uncertainty in the global and domestic economies particularly due to slowing demand, and rising materials and energy cost. Against this backdrop, world, the Board will be committed to its cost restructuring program besides increasing the depth and breadth of the customer base to remain the Group competitive in the market.

B4. Variance of Actual and Forecast Profit

The Group has not provided any profit forecast.

B5. Loss before Tax

Loss before tax is arrived after charging/(crediting):

	Current Quarter 30-Jun-23 RM'000	Cumulative Quarter 30-Jun-23 RM'000
Depreciation of property, plant & equipment	1,048	2,054
Depreciation of right-of-use assets	314	623
Gain on disposal of property, plant and equipment	-	(226)
Net gain on foreign exchange	(140)	(77)
Interest expense	418	647
Interest income	(580)	(1,178)
Fair value loss on quoted investment	10	570

B6. Tax Expense

	Current Quarter 30-Jun-23 RM'000	Cumulative Quarter 30-Jun-23 RM'000
Income tax expense	21	126
Deferred tax expense	17	17
Total tax expense	38	143

B7. Unquoted Investments and/or Properties

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

B8. Quoted and Marketable Investments

During the quarter the following quoted and marketable investments were acquired/(sold).

- (a) The net sale of investments in quoted securities by the Group for the current financial quarter and financial year-to-date under review are set out as follows:

Current Quarter 30-Jun-23 RM'000	Cumulative Quarter 30-Jun-23 RM'000
(238)	(3,273)

- (b) The details of investments in quoted securities by the Group as at the end of the current financial quarter and financial year-to-date under review are set out as follows:

	Current Quarter 30-Jun-23 RM'000	Cumulative Quarter 30-Jun-23 RM'000
Total investment at market value bought forward	840	6,633
Total net purchase/(sale) of investments in quoted securities	531	(3,273)
Loss on disposal of quoted securities	(238)	(1,667)
Fair value loss on investment in quoted securities recognised in profit or loss	(10)	(570)
Total investment at market value carried forward	1,123	1,123

B9. Status of Corporate Developments

- (i) On 28 June 2022, the Company announced its proposal to issue a renounceable rights issue. The application on the above has been approved by Bursa Securities on 15 July 2022. On 16 August 2022, the proposals were passed at the Extraordinary General Meeting. On 5 January 2023, the Company announced that Bursa Securities had, vide its letter dated 4 January 2023, resolved to grant the Company an extension of time until 15 July 2023 to complete the implementation of the Rights Issue with Warrants.

On 17 January 2023, the Company announced price fixing of the rights shares at RM0.055 per rights share and the exercise price of the Warrant B at RM0.055 per Warrant B. On 8 February 2023, the Abridged Prospectus was issued.

On 15 March 2023, the Rights Issue with Warrants was completed. A total of 1,654,156,234 rights shares were issued and listed. A total of 689,231,637 Warrant B was issued in conjunction with the rights shares. In addition, 69,875,106 new Warrant A was issued arising from the adjustment made pursuant to the Rights Issue which was completed on the same date.

- (ii) On 18 August 2022, the Company announced that our wholly owned subsidiary, Unique Forging & Components Sdn. Bhd., had on 17 August 2022 entered into a Share Sale Agreement with KAB Energy Holdings Sdn Bhd for the disposal of 100% of Matahari Suria Sdn. Bhd., for RM5.3 million. On 25 July 2023, the Company announced that the

disposal has been completed, and that Matahari Suria Sdn. Bhd. has ceased to be a sub-subsidiary of BSL Corporation Berhad.

B10. Utilization of Proceeds

(i) Private Placement

The proceeds of the Private Placement have been utilized as follows as at 30 June 2023:

Purpose of Utilization	Timeframe for Utilization	Approved Utilization RM'000	Actual Utilization RM'000	Balance Unutilised RM'000
Manufacturing Expansion	Within 24 months	10,598	6,679	3,919
Expenses for Corporate Exercises	Immediate	2,111	643	1,468
Total		12,709	7,322	5,387

(ii) Rights Issue

The proceeds of the Rights Issue have been utilized as follows as at 30 June 2023:

Purpose of Utilisation	Timeline for Utilization	Approved Utilisation RM'000	Actual Utilization RM'000	Balance Unutilized RM'000
Manufacturing Expansion	Within 24 months	26,000	266	25,734
Upgrading of Existing Facilities and Technologies		17,500	-	17,500
Funding for Raw Materials		14,500	2,088	12,412
Repayment of Borrowings		3,000	2,725	275
Working Capital		29,129	4,623	24,506
Expenses For the Rights Issue with Warrants	Immediate	850	753	97
Total		90,979	10,455	80,524

B11. Group Borrowings

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

	As at 30 June 2023		
	Long Term RM'000	Short term RM'000	Total borrowings RM'000
<u>Secured borrowings</u>			
Bankers' acceptance	-	8,433	8,433
Term loans	2,994	2,462	5,456
Hire purchase loans	2,144	1,611	3,755
Sub-Total	5,138	12,506	17,644
<u>Un-Secured borrowings</u>			
Lease liabilities	1,259	2,819	4,078
Sub-Total	1,259	2,819	4,078
Total	6,397	15,325	21,722

B12. Off-Balance Sheet Financial Instrument

There are no financial instruments with off-balance sheet risk since the end of the last audited financial period ended 31 December 2022 up to the date of this announcement.

B13. Changes in Material Litigation

Save as disclosed in Note A10 above, 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 subsidiary companies.

B14. Dividend Payable

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

B15. Loss per share

The loss per share for the quarter and cumulative year to date are computed as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30-Jun-23 RM'000	Preceding Year Quarter 30-Jun-23 RM'000	Current Period To Date 30-Jun-23 RM'000	Preceding Year to Date 30-Jun-23 RM'000
Loss attributable to owners of the Company	(4,374)	-	(12,988)	-
Weighted average number of ordinary share in issue ('000)	1,933	-	1,262	-
Basic Loss Per Share (sen)	(2.26)	-	(10.29)	-
Diluted Loss Per Share (sen)	(2.26)	-	(10.29)	-

The diluted loss per share has been calculated based on the adjusted consolidated loss for the financial period attributable to the equity holders of the Company and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares.

B16. Authorisation for Issue

This quarterly report was authorised for issue by the Board of Directors.