

**BSL CORPORATION BERHAD**

(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 31 MAY 2017**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31-May-17 RM'000	PRECEDING YEAR QUARTER 31-May-16 RM'000	CURRENT YEAR TO DATE 31-May-17 RM'000	PRECEDING YEAR TO DATE 31-May-16 RM'000
<b>Continuing Operations</b>				
Revenue	38,956	31,037	104,295	82,107
Cost of sales	(35,701)	(28,732)	(94,630)	(76,924)
<b>Gross profit/(loss)</b>	<u>3,255</u>	<u>2,305</u>	<u>9,665</u>	<u>5,183</u>
Other income	433	646	1,356	1,301
Other expenses	(2,092)	(2,051)	(5,728)	(5,914)
<b>Results from operating activities</b>	<u>1,596</u>	<u>900</u>	<u>5,293</u>	<u>570</u>
Interest expense	(228)	(257)	(650)	(795)
Interest income	2	70	44	199
Share of result of joint venture	(30)	(11)	(73)	(60)
<b>Profit/ (Loss) before tax</b>	<u>1,340</u>	<u>702</u>	<u>4,614</u>	<u>(86)</u>
Income tax expense	(215)	(116)	(988)	(608)
<b>Profit /(Loss) for the period/year</b>	<u>1,125</u>	<u>586</u>	<u>3,626</u>	<u>(694)</u>
<b>Other comprehensive (loss)/income:</b>				
Exchange differences on translation of foreign operations	(151)	128	417	107
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD/YEAR</b>	<u>974</u>	<u>714</u>	<u>4,043</u>	<u>(587)</u>
Profit/(Loss) attributable to :				
Equity holders of the company	1,185	544	2,168	(694)
Non-controlling interest	(60)	42	1,458	112
	<u>1,125</u>	<u>586</u>	<u>3,626</u>	<u>(582)</u>
Total comprehensive income attributable to :				
Equity holders of the company	1,034	672	2,585	(587)
Non-controlling interest	(60)	42	1,458	112
	<u>974</u>	<u>714</u>	<u>4,043</u>	<u>(475)</u>
<b>Basic Earnings/(Loss) Per Share based on the weighted average</b>				
number of shares in issue (Sen)	<u>1.23</u>	<u>0.56</u>	<u>2.24</u>	<u>(0.72)</u>

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 2016.

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS OF 31 MAY 2017**

	Note	As at 31-May-17 RM'000	As at 31-Aug-16 RM'000
<b>ASSETS</b>			
<b>Non current assets</b>			
Property, plant and equipment		48,218	51,327
Investment in joint venture		4,123	4,805
<b>Total non current assets</b>		<u>52,341</u>	<u>56,132</u>
<b>Current assets</b>			
Inventories		12,800	12,053
Trade receivables		35,784	19,386
Other receivables		11,180	5,904
Other investments		3,382	3,382
Cash and bank balances		9,297	14,904
<b>Total current assets</b>		<u>72,443</u>	<u>55,629</u>
<b>Total assets</b>		<u><u>124,784</u></u>	<u><u>111,761</u></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		(428)	(422)
Reserves		26,174	24,007
<b>Equity attributable to equity holders of the parent</b>		<u>76,513</u>	<u>74,352</u>
Non-controlling interest		1,887	429
<b>Total equity</b>		<u>78,400</u>	<u>74,781</u>
<b>Non current liabilities</b>			
Long term borrowings		7,715	11,222
Deferred taxation liabilities		1,583	1,568
<b>Total non current liabilities</b>		<u>9,298</u>	<u>12,790</u>
<b>Current liabilities</b>			
Trade payables		27,515	16,250
Other payables		2,596	3,641
Short term borrowings		5,683	4,277
Tax liabilities		1,292	22
<b>Total current liabilities</b>		<u>37,086</u>	<u>24,190</u>
<b>Total liabilities</b>		<u>46,384</u>	<u>36,980</u>
<b>Total equity and liabilities</b>		<u><u>124,784</u></u>	<u><u>111,761</u></u>
Net Assets per share attributable to ordinary equity holders of the parent (RM)		<u>0.79</u>	<u>0.77</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 2016.

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 31 MAY 2017**

	31-May-17 RM'000	31-May-16 RM'000
<b>Cash flows from operating activities</b>		
Profit/(Loss) for the year	3,626	(694)
Adjustments for:		
Non-cash items	3,933	1,067
Non-operating items	2,487	2,629
Operating profit before working capital changes	10,046	3,002
(Increase)/Decrease in working capital:		
Inventories	(747)	(676)
Receivables	(15,063)	(4,074)
Payables	9,901	798
Cash (used in)/generated from operations	4,137	(950)
Income tax paid	(803)	(357)
<b>Net cash (used in)/generated from operating activities</b>	<b>3,334</b>	<b>(1,307)</b>
<b>Cash flows from investing activities</b>		
Interest received	44	199
Proceeds from disposal of property, plant and equipment	118	9,356
Purchase of property, plant and equipment	(5,773)	
<b>Net cash generated from/(used in) investing activities</b>	<b>(5,611)</b>	<b>8,358</b>
<b>Cash flows from financing activities</b>		
Net decrease in bank borrowings	(3,209)	(2,818)
Interest paid	(650)	(795)
Purchase of treasury share	(6)	(2)
<b>Net cash used in financing activities</b>	<b>(3,865)</b>	<b>(3,615)</b>
Net decrease in cash and cash equivalents	(6,142)	3,436
Cash and cash equivalents at beginning of financial year	13,757	14,463
Cash and cash equivalents at end of financial year	<u>7,615</u>	<u>17,899</u>
<b>Cash and cash equivalents at end of year comprise:</b>		
Cash and bank balances	8,340	7,397
Deposits in licensed banks	956	11,654
Bank overdrafts	(882)	(399)
	8,414	18,652
Less : Fixed deposit pledged to licensed bank	(799)	(753)
	<u>7,615</u>	<u>17,899</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 2016.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MAY 2017

	<i>Non-distributable</i>				<i>Distributable</i>			Total RM'000
	Share Capital RM'000	Share Premium 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	
<b>Balance as at 1 September 2016</b>	49,000	1,767	(946)	(422)	24,953	74,352	429	74,781
Treasury shares	-	-	-	(6)	-	(6)	-	(6)
Profit/(Loss) for the year	-	-	-	-	2,168	2,168	1,458	3,626
Other comprehensive income/(Loss) for the year	-	-	(1)	-	-	(1)	-	(1)
Total comprehensive income/(loss) for the year	-	-	(1)	-	2,168	2,167	1,458	3,625
<b>Balance as at 31 May 2017</b>	49,000	1,767	(947)	(428)	27,121	76,513	1,887	78,400

	<i>Non-distributable</i>				<i>Distributable</i>			Total RM'000
	Share Capital RM'000	Share Premium 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	
<b>Balance as at 1 September 2015</b>	49,000	1,767	(1,097)	(420)	17,145	66,395	5,152	71,547
Treasury shares	-	-	-	(2)	-	(2)	-	(2)
Issuance of ordinary shares of subsidiary (Loss)/Profit for the year	-	-	112	-	(694)	(582)	112	(470)
Other comprehensive loss for the year	-	-	-	-	-	-	-	-
Total comprehensive (loss)/income for the year	-	-	112	-	(694)	(582)	112	(470)
<b>Balance as at 31 May 2016</b>	49,000	1,767	(985)	(422)	16,451	65,811	5,264	71,075

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 2016.

**Notes on the quarterly report – 31 May 2017**

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

**A1. Basis of preparation**

The unaudited interim financial report has 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 2016.

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 2016 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 2015. The adoption of the MFRSs and Amendments do not have significant impact on the financial statements of the Group.

**A2. Qualification of annual financial statements**

There were no audit qualifications on the financial statements of the Company for the year ended 31 August 2016.

**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.

**A7. Dividend paid**

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

**Notes on the quarterly report – 31 May 2017**

**A8. 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>Renewable Energy</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	-	84,820	9,036	2,277	8,162	-	104,295
Inter-segment sales	-	-	(381)	-	(6,180))	(6,561)	-
<b>Total revenue</b>	<b>-</b>	<b>84,820</b>	<b>9,417</b>	<b>2,277</b>	<b>14,342</b>	<b>(6,561)</b>	<b>104,295</b>
<b>Results</b>							
Segment results	(230)	4,013	(1,099)	143	2,466		5,293
Profit from operations							5,293
Interest expense							(650)
Interest income							44
Share of results of joint venture							(73)
Profit before tax							4,614
Income tax expense							(988)
<b>Profit for the year</b>							<b>3,626</b>
Attributable to:							
Equity holders of the parent							2,168
Minority interest							1,458
							<b>3,626</b>

**Notes on the quarterly report – 31 May 2017**

**A9. 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 31 May 2017 up to the date of this report, which are likely to substantially affect the results of the operations of the Group.

**A10. Changes in the composition of the Group**

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

**A11. Changes in contingent liabilities**

There were no changes on contingent liabilities of a material nature since the last balance sheet date until the date of this announcement, except for: Corporate guarantees amounting to RM15.49 million given by the Company to financial institutions for credit facilities granted to the subsidiary companies.

**A12. Capital commitments**

	<b>Approved and contracted for RM'000</b>	<b>Approved but not contracted for RM'000</b>
Investment in subsidiary, associate & purchase of plant and equipment	945	-

**Notes on the quarterly report – 31 May 2017**

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

**B1. Review of performance**

For the quarter ended 31 May 2017, the Group achieved a revenue of RM38.96 million and profit after tax of RM1.12 million, compared to a revenue of RM31.04 million and profit after tax of RM0.58 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 RM34.16 million and a profit of RM1.35 million for the quarter ended 31 May 2017 as compared to a revenue of RM26.32 million and a profit of RM0.99 million for the corresponding period last year.

The profit was due to increased order from new TV back chassis and agricultural components.

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

This segment recorded a revenue of RM3.89 million and a loss of RM30,000.00 for the quarter ended 31 May 2017 as compared to a revenue of RM2.89 million and a loss of RM310,000.00 for the corresponding period last year.

The better performance was due to increase in sales.

Fabrication & forging segment

This segment recorded a revenue of RM680,000.00 and a loss of RM30,000.00 for the quarter ended 31 May 2017 as compared to a revenue of RM1.53 million and a loss of RM20,000.00 for the corresponding period last year.

The decline in revenue was mainly due to drop in orders from an air-conditioner manufacturer.

Renewable Energy

This segment recorded a revenue of RM510,000.00 and a profit of RM40,000.00 for the quarter ended 31 May 2017. As to date, we have supplied and constructed 2.1MW solar photovoltaic system of which 1MW is under the group and the rest for third parties.

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

Total Group revenue was at RM38.95 million, an increase of 8.98% compared to the preceding quarter. The Group recorded profit after tax of RM1.12 million for the current quarter ended 31 May 2017 as compared to a profit after tax of RM1.09 million in the preceding quarter.

The better results was mainly due to increase orders from precision stamping & tooling segment and improved result from PCBA segment.



**Notes on the quarterly report – 31 May 2017**

**B3. Current year prospects**

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

The Group will further its effort in promoting the EMS (Electronic Manufacturing Services) business model, renewable energy business and to bring in new clients.

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

The Group had not provided any profit forecast for the current financial year ended 31 August 2017.

**B5. Profit for the period**

Profit for the period is arrived at after charging/(crediting):-	<b>Current Quarter 31.05.2017 RM'000</b>	<b>Current year to date 31.05.2017 RM'000</b>
Depreciation of property, plant & equipment	1,085	3,418
Finance cost	228	650
Loss/(Gain) on disposal of property, plant and equipment	-	(118)
Net foreign exchange (Gain)/loss	151	(417)
Interest income	(2)	(44)

**B6. Income tax expense**

	<b>Current Quarter 31.05.2017 RM' 000</b>	<b>Current year To date 31.05.2017 RM' 000</b>
Income tax	215	973
Deferred tax	-	15
	215	988

The effective tax rate was lower than the statutory tax rate of 24% mainly due to certain Company having a tax assets.

**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 additional of quoted shares outside Malaysia by way of payment from the customer. No disposal of quoted securities during the current quarter.

**Notes on the quarterly report – 31 May 2017**

**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:

	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
<b>Short term</b>			
Bank overdrafts	882	-	882
Trust receipts, bankers' acceptance & revolving credit	-	-	-
Term loans	3,363	-	3,363
Hire purchase	1,438	-	1,438
	<hr/> 5,683	<hr/> -	<hr/> 5,683
<b>Long term</b>			
Terms loans	7,051	-	7,051
Hire purchase	664	-	664
	<hr/> 7,715	<hr/> -	<hr/> 7,715
	<hr/> <hr/> 13,398	<hr/> <hr/> -	<hr/> <hr/> 13,398

*All borrowings are denominated in Ringgit Malaysia*

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

	<b>As at 31 May 2017 RM'000</b>
Total retained profit of BSL and its subsidiaries	
-Realised	27,830
-Unrealised	(1,583)
	<hr/> 26,247
<b>Total group retained profits as per consolidated accounts</b>	
-Realised	(73)
-Unrealised	-
	<hr/> <hr/> <hr/> <hr/> <hr/> 26,174

**Notes on the quarterly report – 31 May 2017**

**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 31.05.17</b>	<b>Preceding Year Quarter 31.05.16</b>	<b>Cumulative Current Year to Date 31.05.17</b>	<b>Preceding Year to Date 31.05.16</b>
Profit/(Loss) attributable to equity holders of the parent (RM'000)	1,185	554	2,168	(694)
Weighted average number of ordinary shares of RM0.50 each in issue ('000)	96,716	96,791	96,716	96,791
Basic Earnings/(Loss) Per Share based on the weighted average number of shares in issue (sen) for:				
Profit from continuing operations	1.23	0.56	2.24	(0.72)
Profit/(Loss) from discontinued operations	-	-	-	-
Total (sen)	1.13	0.56	2.24	(0.72)

**Notes on the quarterly report – 31 May 2017**

**B17. Authorisation for issue**

This quarterly report was authorised for issue by the Board of Directors in accordance with the resolution of the directors on 27 July 2017.

By order of the Board

Ngiam Tong Kwan  
Executive Chairman  
Selangor  
27 July 2017