

BSL CORPORATION BERHAD
(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 NOVEMBER 2017**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30-Nov-17 RM'000	PRECEDING YEAR QUARTER 30-Nov-16 RM'000	CURRENT YEAR TO DATE 30-Nov-17 RM'000	PRECEDING YEAR TO DATE 30-Nov-16 RM'000
Continuing Operations				
Revenue	40,780	29,594	40,780	29,594
Cost of sales	(38,101)	(26,791)	(38,101)	(26,791)
Gross profit/(loss)	<u>2,679</u>	<u>2,803</u>	<u>2,679</u>	<u>2,803</u>
Other income	53	261	53	261
Other expenses	(2,425)	(1,989)	(2,425)	(1,989)
Results from operating activities	<u>308</u>	<u>1,075</u>	<u>308</u>	<u>1,075</u>
Interest expense	(225)	(220)	(225)	(220)
Interest income	8	88	8	88
Share of result of joint venture	(4)	(20)	(4)	(20)
Profit/ (Loss) before tax	<u>87</u>	<u>923</u>	<u>87</u>	<u>923</u>
Income tax expense	(319)	(165)	(319)	(165)
Profit /(Loss) for the period/year	<u>(231)</u>	<u>758</u>	<u>(231)</u>	<u>758</u>
Other comprehensive (loss)/income:				
Exchange differences on translation of fo	236	(184)	236	(184)
TOTAL COMPREHENSIVE INCOME	<u>4</u>	<u>574</u>	<u>4</u>	<u>574</u>
Profit/(Loss) attributable to :				
Equity holders of the company	(38)	517	(38)	517
Non-controlling interest	(193)	241	(193)	241
	<u>(231)</u>	<u>758</u>	<u>(231)</u>	<u>758</u>
Total comprehensive income attributable to :				
Equity holders of the company	198	333	197	333
Non-controlling interest	(193)	241	(193)	241
	<u>4</u>	<u>574</u>	<u>4</u>	<u>574</u>
Basic Earnings/(Loss) Per Share based on the weighted average				
number of shares in issue (Sen)	<u>(0.04)</u>	<u>0.53</u>	<u>(0.04)</u>	<u>0.53</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 2017.

BSL CORPORATION BERHAD
(Company No. 651118-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF 30 NOVEMBER 2017

	Note	As at 30-Nov-17 RM'000	As at 31-Aug-17 RM'000
ASSETS			
Non current assets			
Property, plant and equipment		54,193	55,110
Investment in joint venture		4,682	4,920
Other investments		3,266	3,604
Total non current assets		<u>62,141</u>	<u>63,633</u>
Current assets			
Inventories		12,098	11,927
Trade receivables		37,849	38,905
Other receivables		5,112	3,075
Cash and bank balances		12,474	13,941
Total current assets		<u>67,533</u>	<u>67,849</u>
Total assets		<u><u>129,674</u></u>	<u><u>131,482</u></u>
Equity and liabilities			
Capital and reserves			
Share capital		49,000	49,000
Share premium		1,767	1,767
Treasury shares		(459)	(456)
Reserves		27,000	26,802
Equity attributable to equity holders of the parent		<u>77,309</u>	<u>77,113</u>
Non-controlling interest		695	889
Total equity		<u>78,004</u>	<u>78,003</u>
Non current liabilities			
Long term borrowings		11,264	12,332
Deferred taxation liabilities		2,519	2,429
Total non current liabilities		<u>13,783</u>	<u>14,761</u>
Current liabilities			
Trade payables		27,435	28,032
Other payables		4,541	5,002
Short term borrowings		5,351	5,050
Tax liabilities		561	634
Total current liabilities		<u>37,887</u>	<u>38,717</u>
Total liabilities		<u>51,670</u>	<u>53,479</u>
Total equity and liabilities		<u><u>129,674</u></u>	<u><u>131,482</u></u>
		0	-
Net Assets per share attributable to ordinary equity holders of the parent (RM)		<u>0.80</u>	<u>0.80</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 2017.

BSL CORPORATION BERHAD
(Company No. 651118-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 NOVEMBER 2017

	30-Nov-17 RM'000	30-Nov-16 RM'000
Cash flows from operating activities		
Profit/(Loss) before tax	87	923
Adjustments for:		
Non-cash items	1,164	1,698
Non-operating items	<u>1,075</u>	<u>1,094</u>
Operating profit before working capital changes	2,327	3,715
(Increase)/Decrease in working capital:		
Inventories	(211)	120
Receivables	(1,451)	(881)
Payables	<u>(880)</u>	<u>117</u>
Cash (used in)/generated from operations	(215)	3,071
Income tax paid	<u>(302)</u>	<u>(922)</u>
Net cash (used in)/generated from operating activities	<u>(516)</u>	<u>2,149</u>
Cash flows from investing activities		
Interest received	8	88
Proceeds from disposal of property, plant and equipment	50	118
Purchase of property, plant and equipment	<u>(249)</u>	<u>(5,845)</u>
Net cash generated from/(used in) investing activities	<u>(190)</u>	<u>(5,639)</u>
Cash flows from financing activities		
Net decrease in bank borrowings	(896)	(729)
Interest paid	(225)	(220)
Purchase of treasury share	<u>(3)</u>	<u>(3)</u>
Net cash used in financing activities	<u>(1,124)</u>	<u>(952)</u>
Net decrease in cash and cash equivalents	(1,831)	(4,442)
Effect of changes in foreign currency translation reserves	234	-
Cash and cash equivalents at beginning of financial year	<u>11,723</u>	<u>13,757</u>
Cash and cash equivalents at end of financial year	<u><u>10,126</u></u>	<u><u>9,315</u></u>
Cash and cash equivalents at end of quarter comprise:		
Cash and bank balances	8,836	7,509
Deposits in licensed banks	3,638	4,864
Bank overdrafts	<u>(917)</u>	<u>(2,259)</u>
	11,557	10,114
Less : Fixed deposit pledged to licensed bank	<u>(1,430)</u>	<u>(799)</u>
	<u><u>10,126</u></u>	<u><u>9,315</u></u>
	0	-

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 2017.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 NOVEMBER 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	Fair value 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 2017	49,000	1,767	(1,192)	(161)	(456)	28,155	77,113	889	78,002
Treasury shares	-	-	-	-	(3)	-	(3)	-	(3)
Profit/(Loss) for the year	-	-	-	-	-	(38)	(38)	(193)	(231)
Other comprehensive income for the year	-	-	236	-	-	-	236	-	236
Total comprehensive income/(loss) for the year	-	-	236	-	-	(38)	198	(193)	4
Balance as at 30 November 2017	49,000	1,767	(956)	(161)	(459)	28,117	77,308	696	78,003

	<i>Non-distributable</i>				<i>Distributable</i>			Total RM'000	
	Share Capital RM'000	Share Premium RM'000	Foreign currency translation reserve RM'000	Fair value 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 2015	49,000	1,767	(946)	-	(422)	24,953	74,352	429	74,781
Treasury shares	-	-	-	-	(3)	-	(3)	-	(3)
(Loss)/Profit for the year	-	-	-	-	-	517	517	241	758
Other comprehensive loss for the year	-	-	16	-	-	-	16	-	16
Total comprehensive (loss)/income for the year	-	-	16	-	-	517	533	241	774
Balance as at 30 November 2015	49,000	1,767	(930)	-	(425)	25,470	74,882	670	75,552

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 2017.

Notes on the interim financial statements
for the first quarter ended 30 November 2017

PART A: NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2017

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 2017.

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 2017.

A2. Qualification of annual financial statements

There were no audit qualifications on the financial statements of the Company for the year ended 31 August 2017.

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.

BSL CORPORATION BERHAD
(Company No: 651118-K)

Notes on the interim financial statements
for the first quarter ended 30 November 2017

A8. Segment information

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

	Investment Holding	Precision Stamping and Tooling	Printed circuit board ("PCB") and module assembly	Renewable Energy	Others	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External sales	-	35,727	4,661	390	2	-	40,780
Inter-segment sales	-	-	-	93	-	(93)	-
Total revenue	-	35,727	4,661	483	2	(93)	40,780
Results							
Segment results	(512)	1,380	(67)	(169)	26	(351)	308
Profit from operations							308
Interest expense							(225)
Interest income							8
Share of results of joint venture							(4)
Profit before tax							87
Income tax expense							(319)
Profit / (Loss) for the year							(231)
Attributable to:							
Equity holders of the parent							(38)
Minority interest							(193)
							(231)

A9. Valuation of property, plant and equipment

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

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 31 August 2017 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

During the quarter under review, BSL Development Sdn. Bhd., a 51% owned subsidiary was added to the Group. Other than this addition, there is no other significant change in composition of the Group.

Notes on the interim financial statements
for the first quarter ended 30 November 2017

A12. Changes in contingent liabilities

There were no significant changes on contingent liabilities of a material nature since the last balance sheet date until the date of this announcement. As at quarter ended 30 November 2017, outstanding corporate guarantees amounting to RM16.61 million were given by the Company to financial institutions for credit facilities granted to the subsidiary companies.

A13. Capital commitments

	Approved and contracted for RM'000	Approved but not contracted for RM'000
Investment in subsidiary, associate & purchase of plant and equipment	1,528	-

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

B1. Review of performance

For the quarter ended 30 November 2017, the Group achieved a revenue of RM40.78 million and loss after tax of RM0.23 million, compared to a revenue of RM29.59 million and profit after tax of RM0.76 million for the corresponding quarter last year. Despite the loss after tax, the Group's operational performance has improved compared to the corresponding period last year. Losses in the current period were attributable to the unrealized foreign exchange losses on overseas investment and oversea intercompany balances.

The performance of each operating segment is as follows:

Precision stamping & tooling segment

This segment recorded a revenue of RM35.70 million and a profit of RM1.38 million for the quarter ended 30 November 2017 as compared to a revenue of RM23.49 million and a profit of RM0.78 million for the corresponding period last year.

The profit was due to increased orders of TV back chassis and agricultural components.

Printed circuit board ("PCB") & module assembly segment

This segment recorded a revenue of RM4.66 million and a loss of RM0.07 million for the quarter ended 30 November 2017 as compared to a revenue of RM2.97 million and a loss of RM0.25 million for the corresponding period last year.

Despite the increase in revenue and being profitable from normal operations, there is a loss after tax for this segment mainly attributed by the unrealized foreign exchange losses for its overseas investment.

Notes on the interim financial statements
for the first quarter ended 30 November 2017

Renewable Energy

This segment recorded a revenue of RM0.48 million and a loss of RM0.17 million for the quarter ended 30 November 2017 as compared to a revenue of RM7.24 million and a profit of RM2.13 million. The loss for the quarter is due to lower revenue. Major Engineering, Procurement, Construction and Commissioning (“EPCC”) engagements were completed in last financial year.

B2. Variation of results against preceding quarter

Total Group revenue was at RM40.78 million, an increase of 37.8% compared to the preceding quarter revenue of RM29.59 million. The Group recorded loss after tax of RM0.23 million for the current quarter ended 30 November 2017 as compared to a profit after tax of RM0.76 million in the preceding quarter.

Overall revenue for the Group has increased as compared to the preceding quarter mainly due to stronger demands in the precision stamping & tooling and PCBA segment. Despite the increase in revenue, the overall reduction in Group’s profits were mainly due to lower revenue in solar energy segment and the unrealized foreign exchange losses on overseas investment and oversea intercompany balances.

B3. Current year prospects

The Board foresees the current year’s prospect to be challenging due to the uncertain global economics environment which includes the fluctuation of Ringgit / USD foreign exchange rate and the expected rising of local operating cost.

The Group will continue its effort in promoting the EMS (Electronic Manufacturing Services) business, solar energy business, property development business and to widen its customer base.

B4. Variance of actual and forecast profit

The Group had not provided any profit forecast.

B5. Profit for the period

Profit for the period is arrived at after charging/(crediting):-	Current Quarter 30.11.2017 RM’000	Current year to date 30.11.2017 RM’000
Depreciation of property, plant & equipment	1,164	1,164
Finance cost	225	225
Loss/(Gain) on disposal of property, plant and equipment	(49)	(49)
Net foreign exchange (Gain)/loss	864	864
Interest income	(8)	(8)

**Notes on the interim financial statements
for the first quarter ended 30 November 2017**

B6. Income tax expense

	Current Quarter 30.11.2017 RM' 000	Current year To date 30.11.2017 RM' 000
Income tax	229	229
Deferred tax	90	90
	319	319

The effective tax rate was higher than the statutory tax rate of 24% mainly due to the overall loss position of the Group.

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 and marketable investments during the quarter under review.

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
Short term			
Bank overdrafts	917	-	917
Trust receipts, bankers' acceptance & revolving credit	-	-	-
Term loans	3,223	-	3,223
Hire purchase	1,211	-	1,211
	5,351	-	5,351
Long term			
Terms loans	10,880	-	10,880
Hire purchase	384	-	384
	11,264	-	11,264

Notes on the interim financial statements
for the first quarter ended 30 November 2017

11,264	-	11,264
16,615	-	16,615

All borrowings are denominated in Ringgit Malaysia

B11. Realised and unrealised profit/(loss) disclosure

	As at 30 Nov 2017 RM'000
Total retained profit of BSL and its subsidiaries	
-Realised	52,952
-Unrealised	(6,266)

	46,686
Less: Consolidation entries	(18,574)

Total Group retained earnings as per consolidated accounts	28,112
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B12. Off balance sheet financial instrument

There are no financial instruments with off balance sheet risk as at the end of the previous financial year ended 31 August 2017 up 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.

Notes on the interim financial statements
for the first quarter ended 30 November 2017

B15. Basic earnings per share

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

	Individual		Cumulative	
	Current	Preceding	Current	Preceding
	Year	Year	Year to	Year to
	Quarter	Quarter	Date	Date
	30.11.17	30.11.16	30.11.17	30.11.16
Profit/(Loss) attributable to equity holders of the parent (RM'000)	(38)	517	(38)	517
Weighted average number of ordinary shares of RM0.50 each in issue ('000)	96,636	96,716	96,636	96,716
Basic Earnings/(Loss) Per Share based on the weighted average number of shares in issue (sen) for:				
Profit from continuing operations	(0.04)	0.53	(0.04)	0.53
Profit/(Loss) from discontinued operations	-	-	-	-
Total (sen)	(0.04)	0.53	(0.04)	0.53

B16. Authorisation for issue

This quarterly report was authorised for issue by the Board of Directors in accordance with the resolution of the directors on 26 January 2018.

By order of the Board

Ngiam Tong Kwan
 Executive Chairman
 Selangor
 26 January 2018