



## TSR CAPITAL BERHAD

(Company No : 541149-W)

(Incorporated in Malaysia)

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) for the first quarter ended 31 March 2015

	Note	Individual Quarter 3 months ended 31 March		Cumulative Quarter 3 months ended 31 March	
		2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
<b>Revenue</b>	<b>A9</b>	36,488	16,567	36,488	16,567
Cost of sales		(29,862)	(12,290)	(29,862)	(12,290)
<b>Gross Profit</b>		6,626	4,277	6,626	4,277
Other income		3,269	63	3,269	63
Administration expenses		(4,511)	(3,514)	(4,511)	(3,514)
Finance costs		(701)	(249)	(701)	(249)
<b>Profit before taxation</b>	<b>A9</b>	4,683	577	4,683	577
Income tax expenses	<b>B5</b>	(1,201)	(361)	(1,201)	(361)
<b>Profit for the period</b>		3,482	216	3,482	216
Attributable to:					
Owners of the Company		3,484	219	3,484	219
Non-controlling interests		(2)	(3)	(2)	(3)
<b>Profit for the period</b>		3,482	216	3,482	216
<b>Earnings per share (sen)</b>					
Basic	<b>B13</b>	3.0	0.2	3.0	0.2
Diluted	<b>B13</b>	N/A	N/A	N/A	N/A

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to this interim financial statements.



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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
for the first quarter ended 31 March 2015

	Individual Quarter		Cumulative Quarter	
	3 months ended 31 March		3 months ended 31 March	
Note	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Profit for the period	3,482	216	3,482	216
Other Comprehensive Income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>3,482</b>	<b>216</b>	<b>3,482</b>	<b>216</b>
Total comprehensive income attributable to:				
Owners of the Company	3,484	219	3,484	219
Non-controlling interests	(2)	(3)	(2)	(3)
	<b>3,482</b>	<b>216</b>	<b>3,482</b>	<b>216</b>

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to this interim financial statements.



**TSR CAPITAL BERHAD**  
(Company No : 541149-W)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
As at 31 March 2015

	<b>31 March 2015</b>	<b>31 December 2014</b>
<b>Note</b>	<b>(Unaudited) RM'000</b>	<b>(Audited) RM'000</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	5,288	8,778
Investment Properties	113,950	114,693
Deferred tax assets	2,886	2,582
Land held for future development	29,381	29,381
Trade receivables	8,749	8,749
	<u>160,254</u>	<u>164,183</u>
<b>Current assets</b>		
Amount due from contract customers	20,991	23,251
Inventories	3,443	3,443
Property development costs	61,470	55,445
Trade receivables	42,013	33,179
Accrued billings	2,929	5,009
Other receivables, prepayments and deposits	8,701	10,802
Tax refundable	17	17
Fixed deposits with licensed banks	3,850	3,849
Cash and bank balances	13,296	7,747
	<u>156,710</u>	<u>142,742</u>
<b>TOTAL ASSETS</b>	<u>316,964</u>	<u>306,925</u>
<b>Equity</b>		
Share capital	116,300	116,300
Share premium	26,653	26,653
Accumulated losses	(6,381)	(9,865)
Equity attributable to owners of the Company	136,572	133,088
Non-controlling interests	(6)	(4)
<b>Total equity</b>	<u>136,566</u>	<u>133,084</u>
<b>Non-current liabilities</b>		
Long-term bank borrowings	<b>B9</b> 39,063	40,117
Trade payables	8,423	8,423
	<u>47,486</u>	<u>48,540</u>
<b>Current liabilities</b>		
Short-term bank borrowings	<b>B9</b> 19,072	10,337
Amount due to contract customers	5,366	5,009
Trade payables	74,245	74,392
Progress billings	-	-
Other payables and accruals	31,749	34,295
Provision for taxation	2,480	1,268
	<u>132,912</u>	<u>125,301</u>
<b>Total liabilities</b>	<u>180,398</u>	<u>173,841</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>316,964</u>	<u>306,925</u>
Net assets per share (RM)	1.17	1.14

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.



## TSR CAPITAL BERHAD

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### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

for the first quarter ended 31 March 2015

<----- Attributable to Equity Holders of the Company ----->

<- Non-Distributable ->

Note	Share	Share Premium	Accumulated losses	Total	Non-	Total
	Capital				controlling	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2015</b>	116,300	26,653	(9,865)	133,088	(4)	133,084
Total comprehensive income for the period	-	-	3,484	3,484	(2)	3,482
<b>At 31 March 2015</b>	116,300	26,653	(6,381)	136,572	(6)	136,566

<----- Attributable to Equity Holders of the Company ----->

<- Non-Distributable ->

Note	Share	Share Premium	Accumulated losses	Total	Non-	Total
	Capital				controlling	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2014</b>	113,300	26,653	(11,287)	128,666	(187)	128,479
Total comprehensive income for the period	-	-	219	219	(3)	216
<b>At 31 March 2014</b>	113,300	26,653	(11,068)	128,885	(190)	128,695

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.



**TSR CAPITAL BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (UNAUDITED)**  
for the first quarter ended 31 March 2015

	3 months ended 31 March	
	2015	2014
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	4,683	577
<b>Adjustments for:</b>		
Non-cash / non-operating items	(1,491)	770
Operating profit before working capital changes	3,192	1,347
Change in inventories	-	-
Change in property development costs	(6,653)	(4,911)
Change in amount due from / to contract customers	2,616	(7,379)
Change in trade and other receivables	(7,525)	2,842
Change in trade and other payables	843	(6,606)
Cash used in operations	(7,527)	(14,707)
Interest paid	(701)	(249)
Tax paid	(292)	(80)
Net cash used in operating activities	(8,520)	(15,036)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payment for land held for future development	-	(31)
Interest received	452	60
Purchase of plant and equipment	(83)	(62)
Proceeds from disposal of plant and equipment	48	-
Proceed from disposal of a subsidiary	1,873	-
Addition to investment properties	(257)	(2,207)
Addition of fixed deposits pledged to licensed banks	(1)	(33)
Net cash generated from / (used in) investing activities	2,032	(2,273)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Grant received	4,356	-
Repayment of hire purchase obligations	(287)	(121)
Repayment of term loans	(364)	(352)
Drawdown of revolving loan	6,000	-
Net cash generated from / (used in) financing activities	9,705	(473)
<b>Net Increase / (Decrease) in cash and cash equivalents</b>	3,217	(17,782)
<b>Cash and cash equivalents at 1 January</b>	6,261	28,877
<b>Cash and cash equivalents at 31 March</b>	9,478	11,095



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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (UNAUDITED)**  
for the first quarter ended 31 March 2015

	3 months ended 31 March	
	2015	2014
	<u>RM'000</u>	<u>RM'000</u>
Cash and cash equivalents comprise the following:		
Cash and bank balances	13,296	11,095
Fixed Deposits with licensed banks	3,850	4,851
Bank Overdraft	(3,818)	-
	<u>13,328</u>	<u>15,946</u>
Less: Fixed Deposits pledged to licensed banks	(3,850)	(4,851)
	<u>9,478</u>	<u>11,095</u>

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to this interim financial statements.



# TSR CAPITAL BERHAD

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## Part A - Explanatory Notes Pursuant to Financial Reporting Standards ("FRS") 134

### Notes to the Interim Financial Report

#### A1 Basis of preparation

The interim financial report has been prepared under the historical cost convention.

The interim financial statements are unaudited and have been prepared in accordance with FRS 134, "Interim Financial Reporting" and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014.

The accounting policies and presentation adopted in the interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2014. These explanatory notes attached to the interim financial statements provide 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 year ended 31 December 2014.

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRSs Framework"). The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 (Agriculture) and IC Interpretation 15 (Agreements for Construction of Real Estate), including its parent, significant investor and venturer (herein referred to as "Transitioning Entities"). Transitioning Entities are allowed to continue to use the existing FRS Framework and defer adoption of MFRS to annual periods beginning on or after 1 January 2017.

The Group falls within the definition of Transitioning Entities and has opted to defer adoption of the new MFRS framework. Accordingly, the Group will be required to prepare its first set of MFRS financial statement for the financial year ended 31 December 2017.

#### A2 Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2014, except for the adoption of the following new/revised Financial Reporting Standards (FRSs) and Amendments to FRSs with effect from 1 January 2015.

Amendments to FRS 119: Defined Benefit Plans - Employee Contributions

Annual Improvements to FRSs 2010 - 2012 Cycle

Annual Improvements to FRSs 2011 - 2013 Cycle

The initial application of the above new/revised FRSs and Amendments to FRSs are not expected to have any significant impact on the financial statements of the Group.

#### A3 Auditor's Report on Preceding Annual Financial Statements

There were no qualification in the auditors' report of the Company's previous financial statements for the year ended 31 December 2014.

#### A4 Seasonal or Cyclical Factors

The business operations of the Group were not affected by any significant seasonal or cyclical factors during the financial periods under review.

#### A5 Unusual items due to their Nature, Size or Incidence

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

#### A6 Changes in Estimates

There were no changes in the estimates of amounts, which give a material effect in the current quarter.

#### A7 Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter ended 31 March 2015.



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**Part A - Explanatory Notes Pursuant to Financial Reporting Standards ("FRS") 134**

**Notes to the Interim Financial Report**

**A8 Dividends Paid**

There were no dividend paid in the current quarter ended 31 March 2015.

**A9 Segmental Information**

Segmental information is presented in respect of the Group's business segments were as follows:-

**Segmental Results for 3 Months Ended 31 March 2015**

	Construction	Manufacturing	Property Development	Investment	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Sales</b>					
Total Sales	39,781	-	4,616	-	44,397
Elimination of Intersegment Sales	(7,909)	-	-	-	(7,909)
External Sales	31,872	-	4,616	-	36,488
<b>Results</b>					
Segment Results	3,361	(5)	2,463	238	6,057
Elimination of intersegment Results	(1,125)	-	-	-	(1,125)
	2,236	(5)	2,463	238	4,932
Financing Costs	(178)	-	(523)	-	(701)
Interest Income	445	-	6	1	452
Profit/(Loss) before Taxation	2,503	(5)	1,946	239	4,683

**Segmental Results for 3 Months Ended 31 March 2014**

	Construction	Manufacturing	Property Development	Investment	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Sales</b>					
Total Sales	19,126	-	1,237	-	20,363
Elimination of Intersegment Sales	(3,796)	-	-	-	(3,796)
External Sales	15,330	-	1,237	-	16,567
<b>Results</b>					
Segment Results	1,504	(91)	(297)	(83)	1,033
Elimination of intersegment Results	(267)	-	-	-	(267)
	1,237	(91)	(297)	(83)	766
Financing Costs	(68)	-	(181)	-	(249)
Interest Income	4	1	29	26	60
Profit/(Loss) before Taxation	1,173	(90)	(449)	(57)	577

**A10 Property, plant and equipment**

There were no revalued property, plant and equipment as at 31 March 2015.

**A11 Material Events Subsequent to the End of Interim Period**

There were no material events subsequent to the end of the financial period.





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## Part A - Explanatory Notes Pursuant to Financial Reporting Standards ("FRS") 134

### Notes to the Interim Financial Report

#### A12 Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial period except for the following:-

On 18 March 2015, the Company disposed off its entire equity interest comprising 2,050,000 ordinary shares representing 100% of the total issued and paid up capital of TSR Properties Sdn Bhd ("TSRP") for a total cash consideration of RM1,900,000.00. Following the disposal, TSRP has ceased to be a wholly owned subsidiary of the Company.

#### A13 Changes in Contingent Liabilities

Contingent liabilities of the Group as at 31 March 2015 are as follows:

	<b>RM'000</b>
Corporate guarantees given to licensed financial institutions in respect of the following facilities granted to subsidiaries	
- Bank guarantee and trade lines	122,496
- Overdraft, revolving loan and hire purchase facilities	18,400
- Term loan	47,000
Corporate guarantees given to suppliers in respect of goods supply to its wholly owned subsidiary companies	4,358
	<u>192,254</u>

#### A14 Capital Commitments

There were no capital commitments for the purchase of property, plant and equipment in the interim financial statements as at 31 March 2015 except as disclosed as follow:

	<b>RM'000</b>
<i>Contracted and provided for</i>	
- Leasehold Land	<u>4,888</u>



# TSR CAPITAL BERHAD

(Company No : 541149-W)

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## Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

### Notes to the Interim Financial Report

#### B1 Review of Performance of the Company and Its Principal Subsidiaries

The Group registered a Profit Before Taxation of RM4.6 million in the current quarter against a Profit Before Taxation of RM0.5 million in the last year corresponding period on the back of revenue of RM36.4 million and RM16.5 million respectively.

The Construction Division achieved RM31.8 million revenue for the current quarter as compared to RM15.3 million in the previous year corresponding quarter. The higher turnover was attributed by higher construction billings in tandem with more on-going construction activities.

The Property Division recorded RM4.6 million revenue for the current quarter as compared to previous year corresponding quarter of RM1.2 million. The higher turnover was mainly due to higher progress billings and higher rental income recorded from the new office space available for lease.

#### B2 Material Changes in the Profit Before Taxation for the Current Quarter as compared with the Immediate Preceding Quarter

The Group registered a Profit Before Taxation of 12.8% in the current quarter which is higher than the Profit Before Taxation of 5.7% reported in the immediate preceding quarter. The better performance of the current quarter was mainly attributable to the recognition of gain from iron ore tributes receivable amounting to RM3.6 million from the development land in Gurun, Kedah.

#### B3 Prospects for the Current Financial Year

The Board anticipate that the Group continue to operate in a competitive business environment in the current financial year.

The Construction Segment's profit margin remain low due to limited number of jobs available in the market couple with increasing cost of construction.

The Development and Properties Investment Segment is likely to achieve lower margin due to the implementation of Goods and Services Tax and the weak market sentiment.

However, the Board is cautiously optimistic that the Group will remain profitable for its core business activities for the current financial year.

#### B4 Profit Forecast and Profit Guarantee

Not applicable.

#### B5 Income Tax Expense

	Individual Quarter		Cumulative Quarter	
	3 months ended 31 March 2015	3 months ended 31 March 2014	3 months ended 31 March 2015	3 months ended 31 March 2014
	RM'000	RM'000	RM'000	RM'000
- Current income tax	1,505	361	1,505	361
- Deferred tax	(304)	-	(304)	-
	1,201	361	1,201	361

The effective tax rate for the Group in the current quarter is higher than the statutory tax rate mainly due to certain expenses are not allowable as deduction of expenses.

#### B6 Profit/(Loss) on Sale of Unquoted Investments and/or Properties

There were no profit on sale of unquoted investments and/or properties outside the ordinary course of the Group's business of the current quarter ended 31 March 2015.

#### B7 Quoted Securities

- There were no purchases and disposals of quoted securities for the current quarter and financial period and profit / loss arising therefrom.
- There were no investments in quoted securities for the current quarter and financial period.



# TSR CAPITAL BERHAD

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## Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

### Notes to the Interim Financial Report

#### B8 Status of Corporate Proposal

There were no corporate proposals announced but not completed at the latest practicable date ("LPD") except the followings:-

- (a) The Company had on 28 June 2011 and 9 January 2013 announced that TSR Ocean Park Sdn Bhd, a wholly owned subsidiary of the Company, had entered into a sale and purchase agreement dated 28 June 2011 and a supplemental agreement dated 8 January 2013 with Best Reap Sdn Bhd for the proposed acquisition of a parcel of leasehold commercial land held under H.S.(D) 8376, PT 74, Bandar and Daerah Port Dickson, Negeri Sembilan measuring approximately 11.52 acres for a purchase price of RM9,032,599. As at LPD, the Proposed Acquisition is pending completion; and
- (b) RHB Investment Bank Berhad ("RHB Investment Bank") had on 24 July 2014 and 13 August 2014 announced that the Company proposes to undertake the following:-
  - (i) private placement of up to 11,330,000 new ordinary shares of RM1.00 each in TSR, representing up to 10% of the issued and paid-up share capital of TSR, to investors to be identified at an issue price to be determined ("Proposed Private Placement");
  - (ii) share capital reduction via the cancellation of RM0.50 of the par value of every existing ordinary share of RM1.00 each in TSR ("Existing TSR Share(s)") pursuant to Section 64(1) of the Companies Act, 1965 ("Act") ("Proposed Share Capital Reduction");
  - (iii) renounceable rights issue of up to 62,315,000 new ordinary shares of RM0.50 each in TSR ("Rights Share(s)") together with up to 62,315,000 free detachable new warrants ("Warrant(s)"), on the basis of one (1) Rights Share and one (1) free Warrant for every two (2) ordinary shares of RM0.50 each in TSR ("TSR Share(s)" or "Share(s)") held after the Proposed Share Capital Reduction on an entitlement date to be determined and announced later;
  - (iv) increase in the authorised share capital of TSR from RM200,000,000 comprising 200,000,000 ordinary shares of RM1.00 each to RM500,000,000 comprising 1,000,000,000 ordinary shares of RM0.50 each ("Proposed Increase in Authorised Share Capital"); and
  - (v) amendments to the Memorandum and Articles of Association of TSR to facilitate the implementation of the Proposed Share Capital Reduction as well as the Proposed Increase in Authorised Share Capital.(Collectively referred to as the "**Proposals**").

The Proposals are subject to the following approvals being obtained:

- (i) the approval of the shareholders of TSR for the Proposed Share Capital Reduction, Proposed Rights Issue with Warrants, Proposed Increase in Authorised Share Capital and Proposed Amendments at an extraordinary general meeting ("EGM") to be convened;
- (ii) the approval of Bursa Securities for the following:
  - (a) the listing of and quotation for the Placement Shares to be issued pursuant to the Proposed Private Placement;
  - (b) the admission of the Warrants to the Official List of Bursa Securities pursuant to the Proposed Rights Issue with Warrants; and
  - (c) the listing of and quotation for Rights Shares, Warrants as well as new Shares to be issued arising from the exercise of Warrants on the Main Market of Bursa Securities pursuant to the Proposed Rights Issue with Warrants; Warrants;
- (iii) the approval of the High Court of Malaya for the Proposed Share Capital Reduction; and
- (iv) any other relevant authorities or persons, if necessary.



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## Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

### Notes to the Interim Financial Report

#### B8 Status of Corporate Proposal (Cont'd)

The Proposed Rights Issue with Warrants, Proposed Increase in Authorised Share Capital and the Proposed Amendments are conditional upon completion of the Proposed Share Capital Reduction. The Proposed Private Placement is not conditional upon any proposals. For practical purposes, notwithstanding that certain proposals may be conditional upon other proposals, the Proposals may be implemented concurrently, consecutively or otherwise.

Save as provided above, the Proposals are not conditional upon any other corporate exercises being undertaken by TSR.

On 29 August 2014, on behalf of the Board of Directors of the Company, RHB Investment Bank announced that Bursa Securities had vide its letter dated 26 August 2014 approved the Proposed Private Placement. On 25 September 2014, 3,000,000 new ordinary shares of RM1.00 each represent the first tranche of the Private Placement were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad.

Subsequently, on behalf of the Board of the Company, RHB Investment Bank announced Bursa Securities had vide its letter dated 27 October 2014 approved the Proposed Rights Issue with Warrants subject to the conditions as stated in the announcement.

Shareholders of TSR had approved the Proposals at EGM held on 24 November 2014.

On 29 December 2014, the High Court of Malaya granted an order confirming the Proposed Share Capital Reduction. On 13 January 2015, the sealed order of the High Court of Malaya confirming the Proposed Share Capital Reduction has been lodged with Companies Commission of Malaysia, thus marking the completion of the Proposed Share Capital Reduction.

On 17 February 2015, on behalf of the Board of Directors of the Company, RHB Investment Bank announced that the Company had received an approval letter from Bursa Securities for an extension of time of up to four months from 26 February 2015 until 30 June 2015 for the Company to complete the Private Placement.

#### B9 Group Borrowings and Debt Securities

Total group borrowings as at 31 March 2015 are as follows:

##### (a) Short term borrowings

<b>Short term borrowings (Secured)</b>	<b>RM'000</b>
Portion of term loans payable within one year	3,188
Revolving loan payable within one year	11,000
Bank overdraft	3,818
Portion of hire purchase payable within one year	1,066
	<u>19,072</u>

##### (b) Long term borrowings :

<b>Long term borrowings (Secured)</b>	
Portion of term loans payable after one year	37,985
Portion of hire purchase payable after one year	1,078
	<u>39,063</u>

#### B10 Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risks as at the date of this announcement.



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## Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

### Notes to the Interim Financial Report

#### B11 Material Litigation

There were no material litigations involving the Group as at the last annual balance sheet date and the latest practicable date except as disclosed in the following which involve subsidiaries of the Company:-

##### a) Josu Engineering Construction Sdn Bhd ("JEC") Vs TSR Bina Sdn Bhd ("TSRB")

The Plaintiff (JEC) filed a Writ of Summons and a Statement of Claim sometime on the 5th January 2004, alleging, inter alia, that their termination by the Defendant was unlawful, irregular, invalid and/or improper. The Plaintiff was claiming the sum of RM6,066,653.00 with interest and costs.

The Defendant (TSRB) had instituted a counter-claim against the Plaintiff in the amount of RM3,422,611.95 as well as for general damages, interest and costs. Our solicitors were of the opinion that the Defendant had a defense against the claim initiated by the Plaintiff.

On 1 March 2010, the Learned Judge had heard the application of plaintiff to amend the High Court's note of proceedings and had ordered that the note be amended to reflect a judgement granted in terms as per the prayers listed in paragraphs 9.1 (a) to (l)(iii) of the Plaintiff's Statement of Claim subject to such damages being assessed by the Registrar on a date to be fixed.

TSRB ("Appellant") had filed a Notice of Appeal to the Court of Appeal against the decision of the High Court. On 16 August 2011, the Court of Appeal dismissed the Appellant's appeal. TSRB then filed an application for leave to appeal against the Court of Appeal's decision in Federal Court on 14 September 2011. The Federal Court had dismissed the TSRB's application on 14 February 2012.

The matter is now pending assessment of damages in the Seremban High Court. On 5 February 2013, TSRB had filed a discovery application which was dismissed by the Deputy Registrar on 16 July 2013 and the appeal was also dismissed by the Seremban High Court Judge on 23 May 2014. The next case management is fixed on 9 June 2015.

A second discovery application was also filed by TSRB on 27 June 2013 and was dismissed by the Senior Assistant Registrar on 14 August 2014. The High Court Judge has dismissed TSRB's appeal of the second discovery application on 26 January 2015.

On 28 May 2013, an interim payment application for an amount of RM641,600 was filed by the JEC and was dismissed by the Seremban High Court Judge on 23 May 2014. JEC's appeal against the said decision to the Court of Appeal was partly allowed on 24 September 2014. TSRB has filed an application for leave to appeal to the Federal Court and the Federal Court has requested for another hearing dates to be fixed as three (3) out of five (5) Judges have previously heard the matter. It is currently pending hearing date from the Federal Court.

The Defendant has also filed a Stay of Assessment Proceedings on 19 May 2015 ("Stay") pending the disposal of litigation as mentioned in Note B 11(d). The "Stay" is fixed for case management on 9 June 2015.

##### b) TSR Bina Sdn Bhd ("TSRB" or "Plaintiff") v Kontena Nasional Berhad ("Defendant")

TSRB brought a claim against the defendant on 10 March 2005 for monies wrongfully deducted in connection with the final certificate, namely in connection with the imposition of Liquidated and Ascertained Damages amounting to RM1,060,000.00, the deductions amounting to RM233,494.46, as well as the amount certified as payable to TSRB amounting to RM847,001.55.

The High Court had entered a summary judgement on 27 August 2007 in TSRB's favour for the claimed sum amounting to RM847,001.55 together with interest. The Defendant then filed an appeal to the High Court. On 26 August 2009, the Judge had allowed the Defendant's appeal with costs. On 17 September 2009 TSRB had filed a Notice of Appeal to the Court of Appeal against the decision of the High Court. On 24 May 2011 the Court of Appeal had allowed TSRB's appeal, and TSRB succeeded in obtaining the claimed sum, namely RM847,001.55 together with interest in March 2012.



# TSR CAPITAL BERHAD

(Company No : 541149-W)

(Incorporated in Malaysia)

## Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

### Notes to the Interim Financial Report

#### B11 Material Litigation (Cont'd)

##### b) TSR Bina Sdn Bhd (“TSRB” or “Plaintiff”) v Kontena Nasional Berhad (“Defendant”)

The trial for the balance of TSRB's claim amounting to RM1,293,494.46 was held on 10 May 2014, 11 May 2014, 15 May 2014 and 19 May 2014 respectively. On 26 August 2014, the High Court dismissed the Plaintiff's claim with costs. On 9 September 2014, an appeal to the Court of Appeal arising from this decision was filed. The Appeal is fixed for hearing on 25 August 2015.

##### c) TSR Bina Sdn Bhd (“Plaintiff”) v Devan & Associates (“Defendant”)

The Plaintiff had filed an action against Messrs Devan & Associates on 4 February 2013 in the Kuala Lumpur High Court for professional negligence in handling the Seremban High Court Civil Suit No.: MTI-22-2-2004 (Josu Engineering Construction Sdn Bhd v TSR Bina Sdn Bhd) by allowing a judgement dated 6 February 2007 to be entered against the Plaintiff.

On 30 August 2013, the High Court Judge had allowed the Plaintiff's claim against the Defendant for the estimated sum of RM9,710,070 with costs of RM40,000. The High Court Judge had also allowed the counter-claim by the Defendant for the sum of RM51,102 with costs of RM40,000.

Subsequently, the Defendant appealed to the Court of Appeal on 3 September 2013 whereby the Court of Appeal allowed the appeal by disallowing the Plaintiff's claim against the Defendant. The Plaintiff then filed an application for leave to appeal against the Court of Appeal's decision in Federal Court. On 6 April 2015, the Federal Court has dismissed the Plaintiff's application of leave to appeal to the Federal Court..

##### d) TSR Bina Sdn Bhd (“Plaintiff”) v Josu Engineering Construction Sdn Bhd & Messrs GH Tee & Co (“Defendant”)

The Plaintiff had filed an action against the Defendant to impeach the judgement entered on 6 February 2007 in the Seremban High Court Civil Suit No.: MTI-22-2-2004 (Josu Engineering Construction Sdn Bhd v TSR Bina Sdn Bhd) (“Judgement”) for a declaration that the Judgement is null and void and is to be set aside on the basis that the Defendant had wrongfully and/or fraudulently misled the High Court Judge in granting the Judgement. The High Court has allowed the Defendant's application to strike out the Plaintiff's claim on 17 February 2015.

The Plaintiff has filed an appeal in the Court of Appeal and the same is fixed for case management on 28 May 2015.

#### B12 Dividend Payables

The Board of Directors did not recommend the payment of dividend for the quarter ended 31 March 2015.

#### B13 Earnings per Share

##### i) Basic earnings per share

	Individual Quarter		Cumulative Quarter	
	3 months ended 31 March 2015	31 March 2014	3 months ended 31 March 2015	31 March 2014
a Net Profit for the period attributable to equity holders (RM'000)	3,484	219	3,484	219
b Weighted average number of shares issue ('000)	116,300	113,300	116,300	113,300
a/b Basic earnings per share (sen)	3.0	0.2	3.0	0.2



# TSR CAPITAL BERHAD

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## Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

### Notes to the Interim Financial Report

#### B13 Earnings per Share (Cont'd)

##### ii) Diluted earnings per share

The Company does not have any convertible shares or financial instruments for the current quarter and financial period to-date.

#### B14 Realised and Unrealised (Losses)/Profits Disclosure

	As at 31.3.2015 RM'000	As at 31.12.2014 RM'000
Total (accumulated losses)/retained profits:		
- Realised	45,609	41,500
- Unrealised	2,886	2,582
	<hr/> 48,495	<hr/> 44,082
Less: Consolidation adjustments	(54,876)	(53,947)
	<hr/> <hr/> (6,381)	<hr/> <hr/> (9,865)

#### B15 Profit Before Taxation

The following items have been included in arriving at profit before tax:

	Current quarter ended 31.3.15 RM'000	Cumulative quarter ended 31.3.15 RM'000
(a) Interest income	452	452
(b) Government Grant	2,139	2,139
(c) Writeback of impairment loss on receivable	-	-
(d) Interest expenses	(701)	(701)
(e) Depreciation and amortisation	(579)	(579)

#### B16 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors on 29 May 2015.

TSR CAPITAL BERHAD  
BY ORDER OF THE BOARD  
Kuala Lumpur  
Date: 29 May 2015