



TSR CAPITAL BERHAD

Reg. No. 200101005393 (541149-W)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) for the third quarter ended 31 March 2022

	Note	Individual Quarter		Cumulative Quarter	
		3 months ended 31 March		9 months ended 31 March	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue	A9	13,779	14,273	23,071	54,670
Cost of sales		(11,848)	(15,121)	(19,680)	(53,891)
Gross Profit		1,931	(848)	3,391	779
Other income		2,134	2,928	3,856	6,863
Administration expenses		(3,206)	(2,172)	(7,708)	(8,320)
Finance costs		(385)	(473)	(1,095)	(1,895)
Share of profit of joint venture		433	325	796	1,146
Profit/(Loss) before taxation	A9	907	(240)	(760)	(1,427)
Income tax expenses	B5	-	(4)	(104)	(2,254)
Profit/(Loss) for the period		907	(244)	(864)	(3,681)
Attributable to:					
Owners of the Company		908	(241)	(860)	(3,676)
Non-controlling interests		(1)	(3)	(4)	(5)
Profit/(Loss) for the period		907	(244)	(864)	(3,681)
Earnings/(Loss) per share (sen)					
Basic	B10	0.5	(0.1)	(0.5)	(2.1)
Diluted	B10	0.5	(0.1)	(0.5)	(2.1)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to this interim financial statements.



TSR CAPITAL BERHAD

Reg. No. 200101005393 (541149-W)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) for the third quarter ended 31 March 2022

	Individual Quarter		Cumulative Quarter	
	3 months ended 31 March		9 months ended 31 March	
Note	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Profit/(Loss) for the period	907	(244)	(864)	(3,681)
Other Comprehensive Income/(Expenses)	-	-	-	-
Total comprehensive income/(loss) for the period	907	(244)	(864)	(3,681)
Total comprehensive income/(loss) attributable to:				
Owners of the Company	908	(241)	(860)	(3,676)
Non-controlling interests	(1)	(3)	(4)	(5)
	907	(244)	(864)	(3,681)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to this interim financial statements.



TSR CAPITAL BERHAD

Reg. No. 200101005393 (541149-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 31 March 2022

	31 March 2022	30 June 2021
Note	(Unaudited) RM'000	(Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	676	1,048
Investment properties	77,442	79,381
Right-of-use assets	2,451	3,599
Investment in joint venture	4,677	3,882
Inventories	50,482	50,481
	<u>135,728</u>	<u>138,391</u>
Current assets		
Contract assets	10,017	9,668
Inventories	14,942	14,072
Trade and other receivables	65,509	83,715
Current tax assets	1,287	1,984
Term deposits	-	213
Cash and bank balances	3,339	3,953
	<u>95,094</u>	<u>113,605</u>
TOTAL ASSETS	<u><u>230,822</u></u>	<u><u>251,996</u></u>
EQUITY AND LIABILITIES		
Equity		
Share capital	113,299	113,299
Reserves	24,684	25,544
Equity attributable to owners of the Company	<u>137,983</u>	<u>138,843</u>
Non-controlling interests	(1,011)	(1,007)
Total equity	<u>136,972</u>	<u>137,836</u>
Non-current liabilities		
Loans and borrowings	5,808	10,121
Lease liabilities	815	1,381
	<u>6,623</u>	<u>11,502</u>
Current liabilities		
Loans and borrowings	19,091	22,260
Lease liabilities	889	1,382
Trade and other payables	67,247	79,016
	<u>87,227</u>	<u>102,658</u>
Total liabilities	<u>93,850</u>	<u>114,160</u>
TOTAL EQUITY AND LIABILITIES	<u><u>230,822</u></u>	<u><u>251,996</u></u>
Net assets per share (RM)	0.79	0.80

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to this interim financial statements.

**TSR CAPITAL BERHAD**

Reg. No. 200101005393 (541149-W)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

for the third quarter ended 31 March 2022

	<----- Attributable to Owners of the Company ----->					Non- controlling interests	Total Equity
	<----- Non-Distributable ----->						
	Share Capital	Capital Reserve	Warrant Reserve	Accumulated losses	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2021	113,299	58,150	-	(32,606)	138,843	(1,007)	137,836
Total comprehensive loss for the period	-	-	-	(860)	(860)	(4)	(864)
At 31 March 2022	113,299	58,150	-	(33,466)	137,983	(1,011)	136,972

	<----- Attributable to Owners of the Company ----->					Non- controlling interests	Total Equity
	<----- Non-Distributable ----->						
	Share Capital	Capital Reserve	Warrant Reserve	(Accumulated losses)/Retained Profits	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2020, as restated	113,299	58,150	7,922	(2,978)	176,393	(921)	175,472
Total comprehensive loss for the period	-	-	-	(3,676)	(3,676)	(5)	(3,681)
Transfer of warrant reserve to retained earnings upon expiry	-	-	(7,922)	7,922	-	-	-
At 31 March 2021	113,299	58,150	-	1,268	172,717	(926)	171,791

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to this interim financial statements.



TSR CAPITAL BERHAD

Reg. No. 200101005393 (541149-W)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (UNAUDITED)

for the third quarter ended 31 March 2022

	9 months ended 31 March	
	2022	2021
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(760)	(1,427)
Adjustments for:		
Non-cash / non-operating items	3,159	4,999
Operating profit before working capital changes	2,399	3,572
Changes in contract assets / contract liabilities	(349)	(6,132)
Changes in amount owing from / to an associate	(96)	4,941
Changes in inventories	(872)	(518)
Changes in receivables and prepayments	18,302	4,181
Changes in payables	(11,793)	(33,544)
Cash from/(for) operations	7,591	(27,500)
Interest paid	(1,095)	(1,895)
Tax refunded (net of tax paid)	593	(3,383)
Net cash from/(for) operating activities	7,089	(32,778)
CASH FLOWS FROM INVESTING ACTIVITIES		
Changes in term deposits pledged as security	213	501
Expenditure incurred on investment properties	(72)	-
Interest received	3	39
Acquisition of a subsidiary	(1)	-
Subscription of shares in a subsidiary	(199)	-
Proceeds from disposal of property, plant and equipment	455	48,517
Proceeds from disposal of investment properties	483	382
Proceeds from partial disposal of investment in an associate	-	7,948
Purchase of plant and equipment	(44)	(8)
Net cash from investing activities	838	57,379
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment of loans and borrowings	(9,026)	(28,683)
Net cash for financing activities	(9,026)	(28,683)
Net decrease in cash and cash equivalents	(1,099)	(4,082)
Cash and cash equivalents brought forward	3,019	4,921
Cash and cash equivalents carried forward	1,920	839
Cash and cash equivalents comprise the following:		
Cash and bank balances	3,339	2,532
Term deposits	-	212
	3,339	2,744
Bank overdraft	(1,419)	(1,693)
Term deposits pledged as security	-	(212)
	1,920	839

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to this interim financial statements.



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 report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021. Certain comparatives were restated to conform with the disclosure for current reporting period.

A2 Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 30 June 2021, except for the adoption of the following new or revised standards and Annual Improvements to Standards with effect from 1 July 2021:-

Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16:

Interest Rate Benchmark Reform - Phase 2

Amendments to MFRS 16: COVID-19 Related Rent Concessions beyond 30 June 2021

The adoption of the above MFRSs and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

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 financial year ended 30 June 2021.

A4 Seasonal or Cyclical Factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors during the current quarter.

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.

A8 Dividends Paid

There was no dividend paid in the current quarter.



TSR CAPITAL BERHAD

Reg. No. 200101005393 (541149-W)
(Incorporated in Malaysia)

Part A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standards ("MFRS") 134

Notes to the Interim Financial Report

A9 Segmental Information

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

Segmental Results for 9 Months Ended 31 March 2022

	Construction	Property Development	Investment and others	Total
	RM'000	RM'000	RM'000	RM'000
Sales				
Total Sales	19,866	2,902	303	23,071
Elimination of Intersegment Sales	-	-	-	-
External Sales	19,866	2,902	303	23,071
Results				
Segment Results	9	915	(592)	332
Elimination of intersegment Results	-	-	-	-
	9	915	(592)	332
Financing Costs	(694)	(401)	-	(1,095)
Interest Income	2	1	-	3
Profit/(Loss) before taxation	(683)	515	(592)	(760)

Segmental Results for 9 Months Ended 31 March 2021

	Construction	Property Development	Investment and others	Total
	RM'000	RM'000	RM'000	RM'000
Sales				
Total Sales	52,332	2,338	-	54,670
Elimination of Intersegment Sales	-	-	-	-
External Sales	52,332	2,338	-	54,670
Results				
Segment Results	1,484	(814)	(241)	429
Elimination of intersegment Results	-	-	-	-
	1,484	(814)	(241)	429
Financing Costs	(1,099)	(796)	-	(1,895)
Interest Income	4	35	-	39
Profit/(Loss) before taxation	389	(1,575)	(241)	(1,427)

A10 Property, plant and equipment

There were no revalued property, plant and equipment as at 31 March 2022.

A11 Material Subsequent Events

There were no material events subsequent to the end of the current quarter.

A12 Changes in the Composition of the Group

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

A13 Changes in Contingent Liabilities

There were no significant contingent liabilities as at 31 March 2022.



TSR CAPITAL BERHAD

Reg. No. 200101005393 (541149-W)
(Incorporated in Malaysia)

Part A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standards ("MFRS") 134

Notes to the Interim Financial Report

A14 Capital Commitments

There were no significant capital commitments for the purchase of property, plant and equipment as at 31 March 2022.

A15 Significant Related Party Transactions

Significant transaction with companies in which certain directors of the Company have interests are as follows:-

	9 months ended 31 March 2022 RM'000
Rental of Premises charged by companies in which certain directors of the Company have substantial financial interest:	
- U-Ni Magna Sdn Bhd	394
- PLS Plantations Berhad	106
- Limbongan Setia Corporation Sdn Bhd	<u>180</u>



TSR CAPITAL BERHAD

Reg. No. 200101005393 (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

B1 Review of Performance

For the current quarter ended 31 March 2022, the Group has recorded a revenue of RM13.7 million, a decreased of about 4% as compared to RM14.2 million in the previous corresponding quarter. The lower revenue was mainly due to lower construction billings in tandem with lower construction activities.

Despite recording lower revenue, the Group reported a Profit Before Taxation of RM0.9 million for the current quarter as compared to a Loss Before Tax of RM0.2 million in the previous corresponding quarter.

B2 Comparison With Immediate Preceding Quarter's Results

The Group registered a Profit Before Taxation of 6.6% in the current quarter which is on par with the Profit Before Taxation of 7.3% reported in the immediate preceding quarter.

B3 Prospects for the Current Financial Year

The Board expects that the construction and property sectors to remain challenging in financial year ending 30 June 2022. Nevertheless, the Group will selectively participate in tender for construction projects, and the Group will continue to expand in property development.

B4 Profit Forecast and Profit Guarantee

Not applicable.

B5 Income Tax Expenses

	Individual Quarter		Cumulative Quarter	
	3 months ended 31 March		9 months ended 31 March	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
- Malaysian income tax	-	-	104	-
- Real Property Gains Tax	-	4	-	2,254
	-	4	104	2,254

The effective tax rate for the Group in the current quarter was lower than the statutory rate mainly due to the available adjusted business losses carried forward from previous year to set off against taxable profit.

B6 Status of Corporate Proposal and Utilisation of Proceeds

There were no corporate proposals announced but not completed as at 23 May 2022, being the latest practicable date ("LPD") which is not earlier than 7 days from the date of this report.

B7 Group Borrowings and Debt Securities

Total group borrowings as at 31 March 2022 are as follows:

	RM'000
(a) <u>Short term borrowings:</u>	
Short term borrowings (Secured)	
Portion of term loans payable within one year	3,249
Revolving loans payable within one year	13,000
Bankers acceptance and invoice financing payable within one year	1,423
Bank overdraft	1,419
	<u>19,091</u>
(b) <u>Long term borrowings:</u>	
Long term borrowings (Secured)	
Portion of term loans payable after one year	5,808
	<u>5,808</u>



TSR CAPITAL BERHAD

Reg. No. 200101005393 (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

B8 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 TSR Bina Sdn Bhd, a wholly owned subsidiary of the Company:-

a) Josu Engineering Construction Sdn Bhd ("Plaintiff") against TSR Bina Sdn Bhd ("Defendant")

The Plaintiff had commenced an action against the Defendant for unlawful termination of the letter of award. On 6 February 2007, the Plaintiff obtained a judgement in default against the Defendant. The Plaintiff had on 30 August 2012 filed a notice of appointment for assessment of damages after the Defendant lost various appeals and applications to set aside the judgement in default. The Plaintiff is claiming a sum of approximately RM6 million being the damages against the Defendant.

The matter is now under the stage of assessment proceedings. The hearing dates on 23 and 30 March 2022 are vacated, and the new hearing dates are yet to be fixed.

b) Hiform (M) Sdn Bhd ("Claimant" or "HSB") against TSR Bina Sdn Bhd ("Respondent" or "TSRB")

The Respondent had received one payment claim under Section 5 of the Construction Industry Payment and Adjudication Act 2012 ("CIPAA") from its sub-contractor, the Claimant for a total amount of RM7,752,592.89 ("CIPAA Payment Claim").

The Adjudicator had given an adjudication decision ("Adjudication Decision"), allowing the Claimant among others the sum of RM7,435,044.98 with interests and costs.

The Respondent had filed an application to set aside the Adjudication Decision and/or have the said Adjudication Decision stayed pending the hearing, disposal and/or final determination of this application, pursuant to Section 15 and 16 of the CIPAA at the High Court ("Applications"). On 29 November 2019, the Court had dismissed TSRB's application to set aside and stay application and had allowed HSB's application to enforce the Adjudication Decision.

Thereafter, TSRB filed application of stay pending appeal at Court of Appeal. On 19 December 2019, the Court has granted an interim stay to TSRB pending full hearing. On 28 February 2020, the Court has granted TSRB stay of proceedings until disposal of decision by the Court of Appeal on TSRB's appeal on the dismissal of set aside application by High Court of Kuala Lumpur ("Appeal").

In the case management on 14 April 2021, HSB informed the Court of its intention to file a Notice of Motion to adduce new evidence ("Motion"). The Court had on 28 October 2021 dismissed the Motion.

By way of case management on 30 November 2021, the Court had fixed the hearing date for the Appeal on 16 August 2022.

As it is also a term under the Letter of Award awarding the HSB the said sub-contract, that any dispute arising in connection to the sub-contract shall be referred to and finally resolved by arbitration. TSRB has commenced arbitration proceedings against HSB. Asian International Arbitration Centre had appointed the sole arbitrator ("Arbitrator") for the case. TSRB had on 24th January 2020 served its Statement of Claim to HSB. HSB had vide its solicitor served its Statement of Defence and counterclaim on 27 May 2020.

Upon request by HSB's counsel to vacate the original hearing dates, new hearing dates were fixed on various dates as follows:-

- 10 March 2022, 11 March 2022, 14 March 2022, 21 April 2022, 24 June 2022, 1 July 2022 and 8 July 2022.



TSR CAPITAL BERHAD

Reg. No. 200101005393 (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

B8 Material Litigation (Cont'd)

- c) **TSR Bina Sdn Bhd ("Claimant" or "TSRB") against Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd ("Respondent" or "SPYTL")** (collectively as "Parties")

The Claimant had on 14 January 2019 accepted the Letter of Award ("LOA") issued by Respondent in respect of the sub-contract work for civil works for Electrified Double Track from Gemas to Johor Bahru. The Claimant had commenced arbitration proceedings against the Respondent for unlawful termination of the LOA.

The Claimant is claiming for, among others, declaration, order and a total claim at or about RM35 million only and interests of 5% per annum on all sum awarded from the date of the award to date of realisation, cost of the arbitration proceedings, the arbitrator's fees and expenses and such further relief and/or order as the Arbitrator deemed just and fit. In the Respondent's response to the Claimant's notice of arbitration, the Respondent had made a counter-claim with a claim sum at or about RM22 million.

Director of Asian International Arbitration Centre has appointed the presiding arbitrator. TSRB had on 31 January 2020 served its Statement of Claim to SPYTL.

The Parties had on 25 October 2021 mutually agreed to vacate the hearing dates between 29 to 30 November 2021 and 1 to 3 December 2021, the same was approved by the Arbitrators. The hearing dates on 9 to 13 May 2022 and 16 to 20 May 2022 remained. Further, 23 May 2022 to 27 May 2022 are reserved for additionally hearing, if required.

B9 Dividend Payables

The Board of Directors did not recommend the payment of dividend for the quarter ended 31 March 2022.

B10 Earnings/(Loss) Per Share

i) Basic earnings/(loss) per share

	Individual Quarter		Cumulative Quarter	
	3 months ended 31 March 2022	31 March 2021	9 months ended 31 March 2022	31 March 2021
a Net Profit/(Loss) attributable to owners of the Company(RM'000)	908	(241)	(860)	(3,676)
b Weighted average number of shares issue ('000)	174,450	174,450	174,450	174,450
a/b Basic (loss)/earnings per share (sen)	0.5	(0.1)	(0.5)	(2.1)
ii) Diluted earnings/(loss) per share	0.5	(0.1)	(0.5)	(2.1)

B11 Profit/(Loss) Before Taxation

The following items have been included in arriving at profit/(loss) before tax:

	Individual quarter ended 31.3.2022	Cumulative quarter ended 31.3.2022
	RM'000	RM'000
(a) Interest income	-	3
(b) Interest expenses	(385)	(1,095)
(c) Depreciation and amortisation	(851)	(3,202)



TSR CAPITAL BERHAD

Reg. No. 200101005393 (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

B12 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors on 30 May 2022.

TSR CAPITAL BERHAD
BY ORDER OF THE BOARD
Petaling Jaya
Date: 30 May 2022