TRANSOCEAN HOLDINGS BHD

(Company No.: 36747-U)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR FOURTH QUARTER ENDED DECEMBER 31, 2012

Dated February 28, 2013

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INTERIM FINANCIAL REPORT
For the Fourth Quarter Ended December 31, 2012

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TRANSOCEAN HOLDINGS BHD (36747-U)

INTERIM FINANCIAL REPORT
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The Board of Directors is pleased to announce the Interim Financial Report on consolidated results of the Group for the fourth quarter ended December 31, 2012.

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER	CUMULATIVE QUARTER
	Current Year Quarter Ended 31/12/12 RM'000	Current Year-To-Date Ended 31/12/12 RM'000
Revenue	**7,775**	**36,054**
Operating profit before Depreciation and finance cost	**694**	**3,092**
Depreciation & amortization	(131)	(902)
Profit from operations	**563**	**2,190**
Finance cost	(321)	(1,075)
Profit before taxation	**242**	**1,115**
Income tax expense	17	(230)
Profit for the period	**259**	**885**
Attributable to :		
Owners of the parent	259	885
Non-controlling interest	4	4
	263	889
Profit per share attributable to owners of the parent :		
- Basic (sen)	0.64	2.17
- Diluted (sen)	-------------- Not applicable	-------------------

(The Condensed Consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial period ended December 31, 2011 and the accompanying explanatory notes attached to the Interim Financial Report)

The Group changes the financial year end from May 31 to December 31. Consequently no comparative data available for both individual quarter and the cumulative quarter.

TRANSOCEAN HOLDINGS BHD (36747-U)

INTERIM FINANCIAL REPORT

For the Fourth Quarter Ended December 31, 2012

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As At 31/12/12 RM'000	Audited As At 31/12/11 Restated RM'000	Audited As at 01/06/11 Restated RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	24,767	32,195	31,605
Investment in associate	-	-	351
Deferred tax assets	194		
Intangible assets	4,004	4,002	3,563
	28,965	36,197	35,519
Current Assets			
Inventories	360	322	421
Asset held for sale	10,220	-	-
Prepaid land lease payments	1,967	2,019	2,050
Trade receivables	15,410	17,429	15,226
Other receivables	1,899	987	1,099
Tax Recoverable	314	247	-
Cash and bank balances	662	384	1,028
	30,832	21,388	19,824
TOTAL ASSETS	**59,797**	**57,585**	**55,343**
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	40,999	40,999	40,999
Accumulated losses	(8,843)	(9,767)	(10,273)
Non-controlling interests	31	34	-
Total equity	32,187	31,266	30,726
Non-current liabilities			
Borrowings	4,962	2,609	2,517
Deferred tax liabilities	1,250	1,278	1,324
	6,212	3,887	3,841

Current liabilities			
Borrowings	9,624	9,713	9,327
Trade payables	4,226	9,606	9,063
Other payables	7,323	2,783	2,108
Tax payables	225	331	278
	21,398	22,433	20,776
Total liabilities	**27,610**	**26,320**	**24,617**
TOTAL EQUITY AND LIABILITIES	**59,797**	**57,585**	**55,343**
Net assets per share attributable to owners of the parent (RM)	**0.78**	**0.76**	**0.75**

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial period ended December 31, 2011 and the accompanying explanatory notes attached to the Interim Financial Report)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Owners of the Parent						
	Non-Distributable			Distributable			
	Share Capital RM'000	Asset Revaluation Reserve RM'000	Foreign Exchange Translation Reserve RM'000	Accumulated Losses RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
At January 1, 2012	40,999	-	-	(9,767)	31,232	34	31,266
Net Profit for the financial year	-	-	35	889	924	(3)	920
At December 31, 2012	40,999	-	35	(8,878)	32,156	31	32,187
At June 1, 2011	40,999	8,534	-	(18,807)	30,726	-	30,726
Effect of adoption of MFRS		(8,534)	-	8,534	-	-	-
At 1 June,2011 Restated	40,999	-	-	(10,273)	30,726	-	30,276
Realisation of revaluation reserves	-	(796)	-	796	-	-	-
Effect of adoption of MFRS	-	796	5	(801)	-	-	-
Net Profit for the financial period	-	-	(5)	511	506	34	540
At 31 December,2011	40,999	-	-	(9,767)	31,232	34	31,266

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial period ended December 31, 2011 and the accompanying explanatory notes attached to the Interim Financial Report)

TRANSOCEAN HOLDINGS BHD (36747-U)

INTERIM FINANCIAL REPORT
For the Fourth Quarter Ended December 31, 2012

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Current Year-To-Date Ended 31/12/12 RM'000	Audited as at 31/12/11 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,115	882
Adjustment for :-		
Non-cash items	1,022	760
Non-operating items	1,045	482
Operating profit before working capital changes	3,182	2,124
Changes in working capital :-		
Net change in current assets	1,068	3,345
Net change in current liabilities	(807)	(3,757)
Cash generated from operations	3,443	1,712
Interest paid	(1,075)	(575)
Taxation paid	(287)	(588)
Net cash generated (used in)/generated from operating activities	**2,081**	**549**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(4,022)	(168)
Acquisition of a subsidiary company	(1)	(414)
Proceeds from disposal of property, plant and equipment	30	32
Net cash (used in) investing activities	**(3,993)**	**(550)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase and lease payables	1,809	(474)
Repayment of term loans	(532)	(340)
Net cash generated (used in) from financing activities	**1,277**	**(814)**
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(635)**	**(815)**
Effect of exchange rate changes	(35)	(1)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	(5,809)	(4,993)
CASH AND CASH EQUIVALENTS AT END OF YEAR	**(6,480)**	**(5,809)**
Cash and cash equivalents comprise :-		
Cash and bank balances	662	436
Bank overdrafts (included within short term borrowings in Note 22)	(7,142)	(6,245)
	(6,480)	**(5,809)**

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the financial period ended December 31, 2011 and the accompanying explanatory notes attached to the Interim Financial Report)

NOTES TO THE INTERIM FINANCIAL REPORT

SECTION A

Selected Explanatory Notes: MFRSs 134 Paragraph 16

1. Basis of preparation

The condensed financial statement are unaudited and have been prepared in accordance with the requirement of Malaysia Financial Reporting Standard ('FRS') 134: Interim Financial Reporting and Paragraph 9.22 of the Bursa Malaysia Securities Berhad ("Bursa Securities")'s Listing Requirements.

The condensed financial report should be read in conjunction with the audited financial statements of the Group for the financial period ended December 31, 2011. The explanatory notes attached to the Interim Financial Report 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.

2. Accounting Policies

The Group has adopted the MFRS Framework which is effective for annual financial periods beginning on or after 1 January 2012 in these interim financial statements. The Group has adopted the MFRS framework for the first time and consequently the Group has applied the MFRS 1: First-time adoption of Malaysian Financial Reporting Standards.

The significant accounting policies and methods of computation adopted for the interim financial report are consistent with those of the audited financial statements for the financial period ended 31 December 2011. The transition from FRS to MFRS did not have material impact on comprehensive income, financial position and cash flow of the Group, except for the followings:-

a) Property, Plant and Equipment
The group has previously adopted the MASB approved Accounting Standard IAS 16 (Revised) Property Plant and equipment, and all items of property plant and equipment were initially recorded at cost. Subsequent to recognition, plant and equipment were measured at cost less accumulated depreciation and accumulated impairment losses. Free hold land and buildings were measured at fair value less accumulated depreciation and impairment losses recognized after the date of revaluation. Upon transition to MFRS, the group has elected to regard the revalued amount of freehold land and buildings as deemed cost at the date of transition. The revaluation surplus of RM 7,733,000 (31 December 2011:RM7,738,000) was transferred to retained earnings on date of transition to MFRS.

b) Foreign currency translation reserve
Under FRS, the Group recognized translation differences on foreign operations as a separate component of equity. Upon adoption of MFRS the cumulative foreign currency translation differences for all foreign operation are deemed to be zero. Accordingly, the cumulative foreign exchange translation reserves of RM 19,711 (31 December 2011 : RM5,000) will be reclassified to retained earnings.

The reconciliation of financial statements for comparative periods and of financial statements as the date of transition under MFRS are provided below:-

i) Reconciliation of equity as at 1 June 2011

	1.6.2011	Effects of adoption of MFRS	MFRS as at 1.6.2011
	RM'000	RM'000	RM'000
Asset revaluation Reserve	8,534	(8,534)	-
Accumulated losses	(18,807)	8,534	(10,273)

ii) Reconciliation of equity as at 31 December 2011

	1.6.2011	Effects of adoption of MFRS	MFRS as at 1.6.2011
	RM'000	RM'000	RM'000
Foreign currency translation reserve	(5)	5	-
Asset revaluation reserve	7,738	(7,738)	-
Accumulated losses	(18,807)	7,733	(9,767)

As at 30 June 2012, the following MFRS and IC Interpretation were in move but not yet effective and have not been applied by the Group:

		Effective date for financial periods beginning on or after
Amendments to MFRS 101	Presentation of items of Other Comprehensive Income	1 July 2012
Amendments To MFRS 1	Government loan	1 Jan 2013
MFRS 10	Consolidated Financial Statements	1 January 2013
MFRS 11	Joint Arrangements	1 January 2013
MFRS 12	Disclosure of Interests In Other Entities	1 January 2013
MFRS 13	Fair Value Measurement	
MFRS 119	Employee Benefits	1 January 2013
MFRS 127	Separate Financial Statements (IAS 27 as amended	1 January 2013
MFRS 128	Investments in Associates and Joint Ventures (IAS 28 As amended by IASB in June 2011)	1 January 2013
IC Int 20	Stripping Costs in the Production Phase of Surface Mine	1 January 2013

Annual Improvements	2009-2011 Cycle	
Amendments To MFRS 7	Disclosure – offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments To MFRS 132	Off-setting Financial Assets and Financial Liabilities	1 January 2014
MFRS 9	Financial Instruments (IFRS 9 Issued by IASB in November 2009) Financial Instruments (IFRS 9 Issued by IASB in October 2010)	1 January 2015

The Directors are of the opinion that the adoption of these MFRS, amendment and IC Interpretation will not have any material impact on the financial statement in the period of initial application.

Significant Accounting Estimates and Judgments

(1) Critical Judgments Made in Applying Accounting Policies

There are no critical judgments made by management in the process of applying the Group's accounting policies that have significant effect on the amounts recognized in the financial statements.

(2) Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as discussed below:

(i) Depreciation of motor vehicles

The cost of motor vehicles for operation and administrative purposes is depreciated on a straight-line basis over the asset's useful lives. Management estimates that the useful lives of these motor vehicles range from 5 to 10 years. These are common life expectancies applied in the industry. Changes in the expected level of usage could impact the economic useful lives and the residual value of these assets, therefore depreciation charges could be revised.

(ii) Allowance for doubtful debts

The policy for allowance for doubtful debts of the Group is based on the evaluation of collectability and ageing analysis of the receivables and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current credit worthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, additional allowances may be required.

(iii) Deferred tax assets

Deferred tax assets are recognised for unutilised tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses, capital allowances and other deductible temporary differences can be utilised. Significant management decision is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with tax planning strategies.

3. Auditors' Report on preceding annual financial statements

The auditors' report on the financial statements for the financial period ended December 31, 2011 was not subject to any qualification.

4. Items affecting assets, liabilities, equity, net income or cash flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual of their nature, size or incidence for the current quarter under review and/or financial year-to-date.

5. Segmental information

a. Business segments

The result for the 12 months period ended 31 December 2012 by business segments.

	Trading of Tyres RM'000	Logistics Singapore RM'000	Logistics Solution RM'000	Total RM'000
Segment :				
Revenue	16,549	5,525	13,980	36,054
Profit/(Loss)before taxation	1,378	683	(946)	1,115
Assets	16,522	2,120	41,154	59,796
Liabilities	11,361	1,145	15,104	27,610

b. Geographical segments

The results are for the 12 months year ended 31 December 2012 for geographical segments.

	Malaysia	Singapore	Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External	32,630	3,424	-	-	36,054
Inter-segment	7,130	2,098	-	(9,228)	-
Total revenue	39,760	5,522		(9,228)	36,054
Profit from Operations					2,190
Finance costs					(1,075)
					-
Profit before Taxation					1,115
Other Information					
Segment assets	57,676	2,120	-	-	59,796

6. Unusual items due to their nature, size and incidence

There were no unusual items affecting the Group's assets, liabilities, equity, net income or cash flows during the financial year ended December 31, 2012.

7. Changes in estimates

There were no changes in estimates that had a material effect on the current financial year results.

8. Comments about seasonal or cyclical factors

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

9. Dividends paid

No dividend has been paid or declared by the Company since the end of the previous financial period.

10. Debt and equity securities

The Company has not issued or repaid any debt and equities security for the financial year to date.

11. Changes in the composition of the Group

Transocean Holdings Bhd, acquired the remaining of 49% of the equity interest of Transocean Freight Express Sdn Bhd ("TFESB") representing 4900 ordinary shares of RM1.00 for a purchase consideration amounting of RM1,000, consequently TFESB became a wholly owned subsidiary of Transocean Holdings Bhd. This company will be used to re-start the air and sea freight services.

Except for the abovementioned, there were no significant changes in the composition of the group.

12. Capital commitments

There is no commitment for the purchase of property, plant and equipment not provided for in the quarter under review

13. Changes in contingent liabilities and contingent assets

Contingent liabilities of the Company as at December 31, 2012, other than material litigation as disclosed in Note 24, since the last annual statement of financial position date comprise:-

	As at 31/12/12 RM'000	As at 31/12/11 RM'000
Guarantees in favour of financial institutions for securing borrowings granted to subsidiaries		
- secured	6,230	3,437
- unsecured	1,002	1,128
	7,232	4,565

14. Subsequent events

There were no events of a material nature which have arisen between the end of the current quarter and the date of this report that have not been reflected in the financial statements.

NOTES TO THE INTERIM FINANCIAL REPORT

SECTION B

Additional information required by the Bursa Securities' Listing Requirements

15. Performance review

The Group recorded revenues of RM36,054 million and net Profit after taxation of RM0.885 million for the year ended 31 December 2012, with no comparative data from the previous year due to the change of financial year from May 31 to December 31 2012.

Lower sales revenues during the 2nd half of 2012 were due to world wide slowdown on demand for electronic products, the loss of 2 major electronic customers and reduced road movements for electronic products between Singapore and Malaysia.

16. Comment on results against preceding quarter

	Current Quarter 31/12/12 RM'000	Immediate Preceding Quarter 30/09/12 RM'000	Variation %
Gross revenue	7,775	8,925	-12.89%
Operating profit before depreciation and finance cost	694	587	18.23%
Profit before taxation	242	319	-24.14%
Net profit attributable to owners of the parent	259	64	>100%

Gross revenue continued to decrease as compared with the previous quarter due to worldwide decreased in demand for electronic industry and the effect of losing 2 major customers.

17. Commentary on prospects

The year 2013 began with Eurozone slipping into recession due to fiscal austerity, US facing with weak recovery and high unemployment rate while Japan is pumping stimulus packages to take it out from the 20 years of deflation. Asean emerging economies are expected to stay on the growth path derived from domestic demands.

On the home front, after the general election, domestic demand is expected to slow down because the government may implement structural reforms to increase revenue base, subsidy cuts and implementation of goods and services tax (GST).

With the switch of marketing strategies to concentrate on the new cross border trucking services from Sin/Mal/Thai, penetration into other product segments, and with the 20 units of new Nissan trucks on the road, the Board is optimistic of the Group's financial performance for the next financial year.

18. Profit forecast or profit guarantee

The Group is not involved in any profit guarantee arrangement or providing any forecast profit.

19. Profit before taxation is derived after (charging):-

	Current Quarter 31/12/2012 RM'000	Current Year-to-date 31/12/2012 RM'000
Interest expenses	321	1,075
Depreciation and amortization	131	902
Realized foreign exchange (loss)	15	35
Other Income	562	562

20. Income tax expense

	Current Quarter 31/12/2012 RM'000	Current Year-to-date 31/12/2012 RM'000
Current year provision	(17)	230

The income tax expenses are mainly incurred by the Company and certain of its subsidiaries.

21. Corporate proposal

There was no corporate proposal by the Group for the current quarter and financial year-to-date.

22. Borrowings

Total Group borrowings as at December 31, 2012 were as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
Long term borrowings			
Term loan	1,241	-	1,241
Hire-purchase and lease payables	3,721	-	3,721
	4,962	-	4,962
Short term borrowings			
Overdrafts	6,283	859	7,142
Term loan	188	62	250
Banker's acceptance and revolving credit	871	-	871
Hire-purchase and lease payables	1,361	-	1,361
	8,703	921	9,624
Total Borrowings	**13,665**	**921**	**14,586**

As at December 31, 2012, the Group does not have any exposure in borrowings and debt securities denominated in foreign currency.

23. Off balance sheet financial instruments

There were no financial instruments with off balance sheet risks at the date of issue of the report

24. Changes in material litigation

The Group is not engaged in any material litigation and is not aware of any proceedings, which might materially affect the position or business of the Group except:

a. Transocean Haulage Services Sdn. Bhd ("THS"), a subsidiary of Transocean Holdings Bhd, commenced legal action against EHaul Logistics Sdn Bhd ("EHaul") and Michael Tan ("MT") on 27 July 2011 to recover outstanding debts. The Court on 26 November 2012 had awarded a judgment in favor of THS to recover the sum of RM1,657,298 with 2% interest (from 26/11/2011 until full settlement) from both the defendants. THS's solicitor had served the judgment upon both the defendants on 17 January 2013 but both failed to response. THS's solicitor is proceeding with

Winding up petition and bankruptcy proceeding against Ehaul and Michael Tan respectively.

25. Dividend payable

The Directors do not recommend the payment of any dividend in respect of the current financial year under review.

26. Profit per share

Basic profit per share amounts are calculated by dividing profit for the year attributable to owners of the parent by the weighted average number of ordinary shares issue during the period.

	Current Year Quarter Ended 31/12/12	Current Year-To-Date Ended 31/12/12
Profit attributable to owners of the parent (RM'000)	259	885
No of ordinary shares in issue ('000)	40,999	40,999
Basic profit per share (sen)	0.63	2.15

27. Disclosure of Realised and Unrealised Losses

The accumulated losses of the Group are analysed as follows:-

	Current Quarter 31/12/2012 RM'000	Audited 31/12/2011 RM'000
Total accumulated losses of the Group:-		
- Realised	**(7,294)**	**(8,158)**
- Unrealised	**(1,549)**	**(1,549)**
Total accumulated losses	**(8,843)**	**(9,707)**

28. Authorisation for issue

The Interim Financial Report was authorized for issue by the Board of Directors.

By order of the Board

Dated 28 February 2013.