



# **TRANSOCEAN HOLDINGS BHD**

Company No.: 197701005709 (36747-U)  
(Incorporated in Malaysia)

## **UNAUDITED INTERIM FINANCIAL REPORT FOR FOURTH QUARTER ENDED DECEMBER 31, 2022**

*Dated February 28, 2023*

# CONTENTS

	<b><u>PAGE</u></b>
1) CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	3
2) CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	4- 5
3) CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	6
4) CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	7
5) NOTES TO THE INTERIM FINANCIAL REPORT	
SECTION A : DISCLOSURE NOTES AS REQUIRED UNDER MFRS 134	8 - 11
SECTION B : DISCLOSURE NOTES AS REQUIRED UNDER BURSA MALAYSIA LISTING REQUIREMENTS	12 - 15

**INTERIM FINANCIAL REPORT**  
For the Fourth Quarter ended December 31, 2022

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, 2022.

The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER				CUMULATIVE QUARTER			
	Current Year Quarter Ended 31/12/22 RM'000	Preceding Year Quarter Ended 31/12/21 RM'000	Changes (Amount/%) RM'000		Current Year-To-Date Ended 31/12/22 RM'000	Preceding Year-To-Date Ended 31/12/21 RM'000	Changes (Amount/%) RM'000	
<b>Revenue</b>	<b>7,357</b>	<b>7,364</b>	<b>(7)</b>	<b>0%</b>	<b>28,882</b>	<b>22,364</b>	<b>6,518</b>	<b>29%</b>
Operation profit before depreciation and finance cost	32	990	(958)	(97%)	2,511	2,322	189	8%
Depreciation & amortisation	(644)	(398)	(246)	62%	(2,027)	(1,725)	(302)	18%
Profit/(loss) from operations	(612)	592	(1,204)	>(100%)	484	597	(113)	(19%)
Finance cost	(56)	(62)	6	(10%)	(195)	(225)	30	(13%)
Share of profit of an associate	965	1,086	(121)	(11%)	1,387	1,086	301	28%
<b>Profit before taxation</b>	<b>297</b>	<b>1,616</b>	<b>(1,319)</b>	<b>(82%)</b>	<b>1,676</b>	<b>1,458</b>	<b>218</b>	<b>15%</b>
Income tax expense	54	(45)	99	>100%	54	(86)	140	>100%
<b>Profit for the period</b>	<b>351</b>	<b>1,571</b>	<b>(1,220)</b>	<b>(78%)</b>	<b>1,730</b>	<b>1,372</b>	<b>358</b>	<b>26%</b>
Other comprehensive income: -								
<u>Items that may be reclassified subsequently to profit or loss</u>								
- Exchange differences arising from translation of foreign operation	132	25	107	>100%	132	25	107	>100%
<b>Total comprehensive income for the financial period</b>	<b>483</b>	<b>1,596</b>	<b>(1,113)</b>	<b>(70%)</b>	<b>1,862</b>	<b>1,397</b>	<b>465</b>	<b>33%</b>
<b>Profit for the period attributable to:</b>								
Owners of the parent	351	1,571	(1,220)	(78%)	1,730	1,372	358	26%
Non-controlling interest	-	-	-	-	-	-	-	-
	<b>351</b>	<b>1,571</b>	<b>(1,220)</b>	<b>(78%)</b>	<b>1,730</b>	<b>1,372</b>	<b>358</b>	<b>26%</b>
<b>Total comprehensive profit/ income attributable to:</b>								
Owners of the Company	483	1,596	(1,113)	(70%)	1,862	1,397	465	33%
Non-controlling interest	-	-	-	-	-	-	-	-
	<b>483</b>	<b>1,596</b>	<b>(1,113)</b>	<b>(70%)</b>	<b>1,862</b>	<b>1,397</b>	<b>465</b>	<b>33%</b>
<b>Profit per share attributable to owners of the parent:</b>								
- Basic (sen)	0.54	2.41	(1.87)	(78%)	2.66	2.11	0.55	25%
-Diluted (sen)	0.54	2.41			2.66	2.11		

(The Condensed Consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended December 31, 2021 and the accompanying explanatory notes attached to the Interim Financial Report)

**INTERIM FINANCIAL REPORT**  
 For the Fourth Quarter ended December 31, 2022

---

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As At</b>	<b>As At</b>
	<b>31/12/22</b>	<b>31/12/21</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	31,133	30,958
Right-of-use assets	2,268	3,015
Investment in associate	22,473	21,086
Deferred tax assets	180	-
Trade receivables	-	1,214
	<hr/>	<hr/>
	56,054	56,273
<b>Current Assets</b>		
Inventories	339	180
Trade receivables	8,258	6,706
Contract assets	73	103
Other receivables	1,340	1,675
Current tax assets	554	442
Cash and bank balances	4,305	3,004
	<hr/>	<hr/>
	14,869	12,110
<b>TOTAL ASSETS</b>	<hr/> <b>70,923</b>	<hr/> <b>68,383</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the company</b>		
Share capital	64,719	64,719
Other Reserves	11,191	11,128
Accumulated Losses	(14,870)	(16,670)
	<hr/>	<hr/>
	61,040	59,177
Non-controlling interest	-	1
<b>Total Equity</b>	<hr/> <b>61,040</b>	<hr/> <b>59,178</b>

**INTERIM FINANCIAL REPORT**  
For the Fourth Quarter ended December 31, 2022**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**(CONT'D)**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As At</b>	<b>As At</b>
	<b>31/12/22</b>	<b>31/12/21</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non-Current Liabilities</b>		
Borrowings	502	441
Lease liabilities	88	820
Deferred tax liabilities	2,011	1,897
	<u>2,601</u>	<u>3,158</u>
<b>Current Liabilities</b>		
Borrowings	243	334
Lease liabilities	835	816
Trade payables	3,217	2,630
Provision for taxation	7	-
Other payables	2,980	2,267
	<u>7,282</u>	<u>6,047</u>
<b>Total Liabilities</b>	<b>9,883</b>	<b>9,205</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>70,923</u></b>	<b><u>68,383</u></b>
<b>Net assets per share attributable to owners of the company (RM)</b>	<u>0.94</u>	<u>0.91</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended December 31, 2021 and the accompanying explanatory notes attached to the Interim Financial Report)

**INTERIM FINANCIAL REPORT**  
For the Fourth Quarter ended December 31, 2022

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**Attributable to Owners of the Company**

**Non-distributable**

	<b>Share Capital</b> RM'000	<b>Other Reserves</b> RM'000	<b>Accumulated Losses</b> RM'000	<b>Total</b> RM'000	<b>Non-controlling Interests</b> RM'000	<b>Total Equity</b> RM'000
<b>2022</b>						
At January 1, 2022	64,719	11,127	(16,669)	59,177	1	59,178
Total comprehensive income:-						
Profit for the financial year	-	132	1,730	1,862	-	1,862
Other comprehensive loss	-	(68)	68	-	(1)	(1)
	-	64	1,798	1,862	(1)	1,861
Net Profit for the financial year						
At December 31, 2022	64,719	11,191	(14,870)	61,040	-	61,040
<b>2021</b>						
At January 1, 2021	40,999	11,171	(18,111)	34,059	1	34,060
Issuance of share capital	23,720	-	-	23,720	-	23,720
Total comprehensive income:-						
Profit for the financial year	-	25	1,373	1,398	-	1,398
Other comprehensive loss	-	(69)	69	-	-	-
	-	(44)	1,442	1,398	-	1,398
At December 31, 2021	64,719	11,127	(16,669)	59,177	1	59,178

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended December 31, 2021 and the accompanying explanatory notes attached to the Interim Financial Report)

**INTERIM FINANCIAL REPORT**  
**For the Fourth Quarter ended December 31, 2022**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>Current Year-To- Date Ended 31/12/22 RM'000</b>	<b>Preceding Year 12 Month Ended 31/12/21 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,676	1,458
Adjustment for: -		
Non-cash items	2,277	1,688
Share of profit of an associate	(1,387)	(1,086)
Interest expense	195	225
Operating profit before working capital change	2,761	2,285
Changes in working capital: -		
Net change in current assets	(195)	(4,118)
Net change in current liabilities	1,300	1,102
Cash generated from operations	3,866	(731)
Interest paid	(42)	(41)
Income tax refunded	-	(106)
Interest received	-	82
Taxation paid	(116)	152
<b>Net cash used in operating activities</b>	<b>3,708</b>	<b>(644)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of plant and equipment	(899)	(1,044)
Addition of prepaid lease payment	(41)	-
Acquisition of subsidiaries	(7)	-
Net change in fixed deposit	-	7
<b>Net cash generated from investing activities</b>	<b>(947)</b>	<b>(1,037)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of lease liabilities	(885)	(740)
Interest paid	(153)	(183)
Rent concessions	(90)	-
Proceeds from issuance of share capital, net of share issuance expenses	-	3,720
Repayment of bank borrowings	(122)	(175)
<b>Net cash used in financing activities</b>	<b>(1,250)</b>	<b>2,622</b>
<b>NET INCREASE/(DECREASE)/IN CASH AND CASH EQUIVALENTS</b>	1,511	941
Effects of currency translation differences	13	2
<b>CASH AND CASH EQUIVALENTS AT THE BEINNING OF THE YEAR</b>	2,781	1,837
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>4,305</b>	<b>2,781</b>
Cash and cash equivalents comprise: -		
Cash and bank balances	4,305	3,004
Bank overdrafts (included within short-term borrowing in Note 20)	-	(223)
	<b>4,305</b>	<b>2,781</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended December 31, 2021 and the accompanying explanatory notes attached to the Interim Financial Report)

**INTERIM FINANCIAL REPORT**  
For the Fourth Quarter ended December 31, 2022

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

**SECTION A**

**Selected Explanatory Notes: MFRS 134**

**1. Basis of preparation**

The condensed consolidated interim financial statements have been prepared under the historical cost convention.

These condensed consolidated interim financial statements, have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The condensed financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended December 31, 2021. 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.

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 year ended 31 December 2021.

Accounting standards and amendments to accounting standards that are applicable and effective for the Group are as follows:

Annual periods beginning on/after 1 January 2018

- MFRS 2 : Classification and Measurement of Share-based Payment Transactions
- MFRS 140 : Transfer of Investment Property
- MFRS 9 : Financial Instruments
- MFRS 15 : Revenue from Contracts with Customers
- Annual Improvements to MFRS Standards 2014-2016 Cycle (except for Amendments to MFRS 12 Disclosure of Interests in Other Entities)
- IC Interpretation 22 : Foreign Currency Transactions and Advance Consideration
- Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts

Annual periods beginning on/after 1 January 2019

- MFRS 16 : Leases
- MFRS 128 : Investment in Associates and Joint Ventures
- MFRS 9 : Financial Instruments: Prepayment Features with Negative Compensation
- MFRS 119 : Employee Benefits: Plan Amendment, Curtailment or Settlement
- IC Interpretation 23 Uncertainty over Income Tax Treatments
- Annual Improvements to MFRS Standards 2015-2017 Cycle

The initial application of the accounting standards, amendments or interpretations are not expected to have any material financial impacts to the current period financial statements of the Group.



**INTERIM FINANCIAL REPORT**  
**For the Fourth Quarter ended December 31, 2022**

---

**2. 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 on 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) Impairment loss for receivables**

The policy on impairment loss for receivables 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 are 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 year ended December 31, 2021 was not subject to any qualification.

**INTERIM FINANCIAL REPORT**  
**For the Fourth Quarter ended December 31, 2022**

**4. Unusual items affecting assets, liabilities, equity, net income or cash flows**

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

**5. Segmental information**

**a. Business segments**

The segmental results for the 12-month period ended 31 December 2022 are as follows:-

Business segment:	Trading of Tyres	Logistics Singapore	Logistics Solution	Total RM'000
	"Tyres" RM'000	"Logistics" RM'000		
Revenue	6,355	2,123	20,404	28,882
Profit before taxation	(43)	210	1,509	1,676
Assets	11,825	3,367	55,731	70,923
Liabilities	1,883	945	7,055	9,883

**b. Geographical segments**

The results for the 12-month period ended 31 December 2022 by geographical segments, are as follows:

	Malaysia RM'000	Singapore RM'000	Elimination RM'000	Total RM'000
<b>Revenue</b>				
External	26,759	2,123	-	28,882
Inter-segment	1,464	2,041	(3,505)	-
Total revenue	28,223	4,164	(3,505)	28,882
Profit from operations	3,041	857	(1,387)	2,511
Finance costs	(101)	(94)	-	(195)
Profit before taxation	1,466	210	-	1,676
<b>Other Information</b>				
Segment assets	67,556	3,367	-	70,923

**6. Changes in estimates**

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

**INTERIM FINANCIAL REPORT**  
For the Fourth Quarter ended December 31, 2022**7. Comments about seasonal or cyclical factors**

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

**8. Dividends**

No dividend has been paid or declared by the Group since the end of the previous financial year.

**9. Debt and equity securities**

The Company has not issued or repaid any debt and equity securities for the current quarter and financial year to date, except as disclosed herein.

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

There were no changes in the composition of the Group.

**11. Capital commitments**

There was no commitment for the purchase of property, plant and equipment and/or other capital commitments for the quarter under review.

**12. Changes in contingent liabilities and contingent assets**

Contingent liabilities of the Company as at December 31, 2022 since the last annual statement of financial position date comprise:-

	As at 31/12/2022 RM'000	As at 31/12/2021 RM'000
Guarantees in favour of financial institutions for securing borrowings granted to subsidiaries		
- secured	745	677
- unsecured	-	99
	<u>745</u>	<u>776</u>

**13. 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.

**INTERIM FINANCIAL REPORT**  
For the Fourth Quarter ended December 31, 2022

---

**NOTES TO THE INTERIM FINANCIAL REPORT****SECTION B****Additional information required by the Bursa Securities Listing Requirements****14. Performance Review***Comparison with previous year corresponding quarter*

The Group recorded revenue of RM7.36 million and profit before taxation of RM0.30 million (Last Year: revenue of RM7.36 million and profit before taxation of RM1.62 million). There is no major movement in the revenue and the gap in the profit came from the profit from associate company and the cost incurred to start up the information technology (IT) division for the Group in current quarter. The profit in current quarter comprises profit of RM0.17 million resulting from logistics segment, share of profit from an associate company amounting to RM0.97 million and cost incurred for IT division amounting to RM0.79 million.

Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) from the Group has reduced to RM0.03 million (Last Year: RM0.99 million) due to cost incurred in IT division.

*Comparison with preceding quarter*

	<b>Current Quarter 31/12/22 RM'000</b>	<b>Preceding Quarter 30/09/22 RM'000</b>	<b>Changes (Amount/%) RM'000</b>	
Gross revenue	7,357	8,169	(812)	(10%)
Operating Profit before depreciation and finance cost	32	824	(792)	(96%)
Share of profit/(loss) of an associate	965	283	682	>100%
Profit before taxation	351	595	(244)	(41%)

**INTERIM FINANCIAL REPORT**  
**For the Fourth Quarter ended December 31, 2022**

---

**15. Commentary on prospects**

The Malaysian economy grew slower in the fourth quarter of 2022 (7.0%; 3Q 2022: 14.2%) as support from the stimulus measures and low base effect waned. At 7.0%, the growth was still above the long-term average of 5.1%. Private sector activity remained the key driver of growth, supported by private consumption and investment. The continued growth in private consumption was mainly driven by improving labour market conditions. Meanwhile, overall export growth moderated in line with the weaker external demand. This was partly offset by the resilient performance in exports of electrical and electronic (E&E) products and higher tourism activities. The services and manufacturing sectors continued to drive growth. On a quarter-on-quarter seasonally-adjusted basis, the economy registered a decline of 2.6% (3Q 2022: +1.9%). Overall, the Malaysian economy expanded by 8.7% in 2022.

For 2023, the Malaysian economy is expected to expand at a more moderate pace amid a challenging external environment. Domestic demand will continue to drive growth, supported by the continued recovery in the labour market and the realisation of multi-year investment projects. The services and manufacturing sectors will also continue to support growth. Meanwhile, the slowdown in exports following weaker global demand would be partially cushioned by higher tourism activity. The balance of risks remains tilted to the downside, mainly from weaker global growth, tighter financial conditions, re-escalation of geopolitical conflicts and worsening supply chain disruptions.

Headline and core inflation are expected to be moderate but remain elevated in 2023 amid lingering cost and demand pressures. Core inflation is expected to remain elevated in the near term, in part due to the low base in the first half of 2022. Existing price controls and fuel subsidies, and the remaining spare capacity in the economy, will continue to partly contain the extent of upward pressures to inflation. The inflation outlook remains highly subject to any changes to domestic policy, as well as global commodity price developments. The Group will continue its focus on optimizing capacity and asset utilization, and improving cost efficiency. Beside these, the Group has also renewed efforts in business development to better prepare for any uncertainty in the Malaysia's' economy for financial year 2023.

**16. Profit forecast or profit guarantee**

The Group is not involved in any profit guarantee arrangement and has not provided any profit forecast.

**INTERIM FINANCIAL REPORT**  
 For the Fourth Quarter ended December 31, 2022

**17. Profit before taxation is derived after charging:**

	Current Quarter 31/12/2022 RM'000	Current Year-to- date 31/12/2022 RM'000
Interest expense	56	195
Depreciation and amortization	644	2,027

**18. Income tax expense**

	Current Quarter 31/12/2022 RM'000	Current Year-to- date 31/12/2022 RM'000
Current year provision	54	54

**19. Corporate proposal**

There was no corporate proposal by the Group for the current quarter.

**20. Borrowings**

Details of borrowings are as follows:

	As at 31/12/2022		
	Long Term RM'000	Short Term RM'000	Total borrowing RM'000
<b>Secured</b>			
Overdrafts	-	-	-
Hire-purchase and lease payables	590	1,078	1,668
	As at 31/12/2021		
	Long Term RM'000	Short Term RM'000	Total borrowing RM'000
<b>Secured</b>			
Overdrafts	-	223	223
Hire-purchase and lease payables	1,261	927	2,188

**21. Off balance sheet financial instruments**

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

**INTERIM FINANCIAL REPORT**  
For the Fourth Quarter ended December 31, 2022**22. Changes in material litigation**

There was no material litigation as at December 31, 2022.

**23. Dividend payable**

The Directors do not recommend payment of any dividend for the current quarter.

**24. Earnings per share**

Basic profit per share is calculated by dividing profit for the period attributable to owners of the parent by the weighted average number of shares in issue during the quarter.

**25. Authorisation for issue**

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

	<b>Current Year Quarter Ended 31/12/22</b>	<b>Preceding Year Quarter Ended 31/12/21</b>	<b>Current Year- To- Date Ended 31/12/22</b>	<b>Preceding Year-To- Date Ended 31/12/21</b>
Profit attributable to owners of the parent (RM'000)	351	1,571	1,730	1,372
No of ordinary shares in issue ('000)	65,098	65,098	65,098	65,098
Basic profit per share (sen)	0.54	2.41	2.66	2.11

**By order of the Board**  
Dated 28 February 2023