



# **TRANSOCEAN HOLDINGS BHD**

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

## **UNAUDITED INTERIM FINANCIAL REPORT FOR FIRST QUARTER ENDED MARCH 31, 2023**

*Dated May 23, 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 First Quarter ended March 31, 2023

The Board of Directors is pleased to announce the Interim Financial Report on consolidated results of the Group for the First quarter ended March 31, 2023.

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 31/03/23 RM'000	Preceding Year Quarter Ended 31/03/22 RM'000	Changes (Amount/%) RM'000		Current Year-To-Date Ended 31/03/23 RM'000	Preceding Year-To-Date Ended 31/03/22 RM'000	Changes (Amount/%) RM'000	
<b>Revenue</b>	<b>8,413</b>	<b>7,246</b>	<b>1,167</b>	<b>16%</b>	<b>8,413</b>	<b>7,246</b>	<b>1,167</b>	<b>16%</b>
Operation profit before depreciation and finance cost	418	870	(452)	(52%)	418	870	(452)	(52%)
Depreciation & amortisation	(491)	(455)	(36)	8%	(491)	(455)	(36)	8%
Profit/(loss) from operations	(73)	415	(488)	>(100%)	(73)	415	(488)	>(100%)
Finance cost	(76)	(50)	(26)	52%	(76)	(50)	(26)	52%
Share of profit of an associate	438	201	237	>100%	438	201	237	>100%
<b>Profit before taxation</b>	<b>289</b>	<b>566</b>	<b>(277)</b>	<b>(49%)</b>	<b>289</b>	<b>566</b>	<b>(277)</b>	<b>(49%)</b>
Income tax expense	-	-	-	-	-	-	-	-
<b>Profit for the period</b>	<b>289</b>	<b>566</b>	<b>(277)</b>	<b>(49%)</b>	<b>289</b>	<b>566</b>	<b>(277)</b>	<b>(49%)</b>
Other comprehensive income: -								
<u>Items that may be reclassified subsequently to profit or loss</u>								
- Exchange differences arising from translation of foreign operation	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the financial period</b>	<b>289</b>	<b>566</b>	<b>(277)</b>	<b>(49%)</b>	<b>289</b>	<b>566</b>	<b>(277)</b>	<b>(49%)</b>
<b>Profit for the period attributable to:</b>								
Owners of the parent	289	566	(277)	(49%)	289	566	(277)	(49%)
Non-controlling interest	-	-	-	-	-	-	-	-
	<b>289</b>	<b>566</b>	<b>(277)</b>	<b>(49%)</b>	<b>289</b>	<b>566</b>	<b>(277)</b>	<b>(49%)</b>
<b>Total comprehensive profit/ income attributable to:</b>								
Owners of the Company	289	566	(277)	(49%)	289	566	(277)	(49%)
Non-controlling interest	-	-	-	-	-	-	-	-
	<b>289</b>	<b>566</b>	<b>(277)</b>	<b>(49%)</b>	<b>289</b>	<b>566</b>	<b>(277)</b>	<b>(49%)</b>
<b>Profit per share attributable to owners of the parent:</b>								
- Basic (sen)	0.44	0.87	(0.43)	(49%)	0.44	0.87	(0.43)	(49%)
-Diluted (sen)	0.44	0.87			0.44	0.87		

(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, 2022 and the accompanying explanatory notes attached to the Interim Financial Report)

**INTERIM FINANCIAL REPORT**  
For the First Quarter ended March 31, 2023

---

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Unaudited As At 31/03/23 RM'000</b>	<b>Audited As At 31/12/22 RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	30,870	31,133
Right-of-use assets	2,058	2,268
Investment in associate	22,915	22,477
Deferred tax assets	59	59
	<u>55,902</u>	<u>55,937</u>
<b>Current Assets</b>		
Inventories	518	339
Trade receivables	8,886	8,032
Contract assets	40	73
Other receivables	2,099	1,220
Current tax assets	609	546
Fixed deposits with licensed banks	4	4
Cash and bank balances	3,785	4,441
	<u>15,941</u>	<u>14,655</u>
<b>TOTAL ASSETS</b>	<b><u>71,843</u></b>	<b><u>70,592</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the company</b>		
Share capital	64,719	64,719
Other Reserves	11,192	11,192
Accumulated Losses	<u>(14,553)</u>	<u>(14,842)</u>
<b>Total Equity</b>	<b><u>61,358</u></b>	<b><u>61,069</u></b>

**INTERIM FINANCIAL REPORT**  
For the First Quarter ended March 31, 2023

---

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**(CONT'D)**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As At</b>	<b>As At</b>
	<b>31/03/23</b>	<b>31/12/22</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non-Current Liabilities</b>		
Borrowings	502	502
Lease liabilities	88	88
Deferred tax liabilities	2,011	2,011
	<hr/> 2,601	<hr/> 2,601
<b>Current Liabilities</b>		
Borrowings	184	243
Lease liabilities	751	835
Trade payables	3,602	2,929
Other payables	3,347	2,915
	<hr/> 7,884	<hr/> 6,922
<b>Total Liabilities</b>	<b>10,485</b>	<b>9,523</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<hr/> <b>71,843</b>	<hr/> <b>70,592</b>
<b>Net assets per share attributable to owners of the company (RM)</b>	<hr/> <b>0.94</b>	<hr/> <b>0.94</b>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended December 31, 2022 and the accompanying explanatory notes attached to the Interim Financial Report)

**INTERIM FINANCIAL REPORT**  
For the First Quarter ended March 31, 2023

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to Owners of the Company					
	Non-distributable				Non-controlling	Total Equity
	Share Capital	Other	Accumulated	Total	Interests	Total Equity
	RM'000	Reserves	Losses	RM'000	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>2023</b>						
At January 1, 2023	64,719	11,192	(14,842)	61,069	-	61,069
Total comprehensive income:-						
Profit for the financial period	-	-	289	289	-	289
Other comprehensive loss	-	-	-	-	-	-
	-	-	289	289	-	289
Net Profit for the financial period						
At March 31, 2023	64,719	11,192	(14,553)	61,358	-	61,358
<b>2022</b>						
At January 1, 2022	64,719	11,128	(16,671)	59,176	1	59,177
Issuance of share capital	-	-	1	1	(1)	-
Total comprehensive income:-						
Profit for the financial year	-	133	1,759	1,892	-	1,892
Other comprehensive loss	-	(69)	69	-	-	-
	-	64	1,828	1,892	-	1,892
At December 31, 2022	64,719	11,192	(14,842)	61,069	-	61,069

(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, 2022 and the accompanying explanatory notes attached to the Interim Financial Report)

**INTERIM FINANCIAL REPORT**  
**For the First Quarter ended March 31, 2023**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>Current Year- To-Date Ended 31/03/23 RM'000</b>	<b>Preceding Year 12 Month Ended 31/12/22 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	289	1,826
Adjustment for: -		
Non-cash items	491	2,035
Share of profit of an associate	(438)	(1,391)
Interest expense	76	194
Operating profit before working capital change	418	2,664
Changes in working capital: -		
Net change in current assets	(1,349)	250
Net change in current liabilities	819	947
Cash generated from operations	(112)	3,861
Interest paid	(45)	(42)
Taxation paid	(63)	(116)
<b>Net cash used in operating activities</b>	<b>(220)</b>	<b>3,703</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of plant and equipment	(18)	(899)
Net change in fixed deposit	-	7
<b>Net cash generated from investing activities</b>	<b>(18)</b>	<b>(892)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of lease liabilities	(328)	(885)
Interest paid	(31)	(153)
Repayment of bank borrowings	(59)	(122)
<b>Net cash used in financing activities</b>	<b>(418)</b>	<b>(1,160)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(656)	1,651
Effects of currency translation differences	-	12
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD/YEAR</b>	4,441	2,778
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD/YEAR</b>	<b>3,785</b>	<b>4,441</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, 2022 and the accompanying explanatory notes attached to the Interim Financial Report)

**INTERIM FINANCIAL REPORT**  
For the First Quarter ended March 31, 2023

---

**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, 2022. 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 2022.

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 First Quarter ended March 31, 2023

---

**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, 2022 was not subject to any qualification.

**INTERIM FINANCIAL REPORT**  
**For the First Quarter ended March 31, 2023**

**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 3-month period ended 31 March 2023 are as follows:-

Business segment:	Trading of Tyres	Logistics Singapore	Logistics Solution	Total RM'000
	"Tyres"	"Logistics"		
	RM'000	RM'000	RM'000	
Revenue	2,104	507	5,802	8,413
Profit before taxation	46	(7)	250	289
Assets	11,825	3,372	56,646	71,843
Liabilities	1,883	945	7,657	10,485

**b. Geographical segments**

The results for the 3-month period ended 31 March 2023 by geographical segments, are as follows:

	Malaysia	Singapore	Elimination	Total
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>				
External	7,906	507	-	8,413
Inter-segment	597	417	(1,014)	-
Total revenue	8,503	924	(1,014)	8,413
Profit from operations	729	127	(438)	418
Finance costs	(66)	(10)	-	(76)
Profit before taxation	296	(7)	-	289
<b>Other Information</b>				
Segment assets	68,471	3,372	-	71,843

**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 First Quarter ended March 31, 2023**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 March 31, 2023 since the last annual statement of financial position date comprise:-

	As at 31/03/2023 RM'000	As at 31/12/2022 RM'000
Guarantees in favour of financial institutions for securing borrowings granted to subsidiaries		
- secured	686	745

**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 First Quarter ended March 31, 2023**
**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 RM8.41 million and profit before taxation of RM0.29 million (Last Year: revenue of RM7.25 million and profit before taxation of RM0.57 million). The major movement in the revenue mainly contributed by logistics division and the gap in the profit came from the profit from associate company and the cost incurred for the technology division for the Group in current quarter. The profit in current quarter comprises profit of RM0.18 million resulting from logistics segment, share of profit from an associate company amounting to RM0.44 million and partially off-set by cost incurred for technology division amounting to RM0.33 million.

Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) from the Group has reduced to RM0.42 million (Last Year: RM0.87 million) due to cost incurred in technology division.

*Comparison with preceding quarter*

	<b>Current Quarter 31/03/23 RM'000</b>	<b>Preceding Quarter 31/12/22 RM'000</b>	<b>Changes (Amount/%) RM'000</b>	
Gross revenue	8,413	7,357	1,056	14%
Operating Profit before depreciation and finance cost	418	32	386	>100%
Share of profit/(loss) of an associate	438	965	(527)	(55%)
Profit before taxation	289	351	(62)	(18%)

**INTERIM FINANCIAL REPORT**  
**For the First Quarter ended March 31, 2023**

---

**15. Commentary on prospects**

The Malaysian economy further expanded in the first quarter of 2023 (5.6%; 4Q 2022: 7.1%; 1Q 2011 - 4Q 2019 average: 5.1%), driven mainly by domestic demand. Further improvement in the labour market, with strong growth in employment and continued expansion in wages, have supported private consumption spending. Meanwhile, investment activity was underpinned by capacity expansion and continued implementation of multi-year projects. Inbound tourism continued to recover, lifting services exports and partially offsetting the slower goods export growth. On the supply side, the services and manufacturing sectors continued to drive growth. On a quarter-on-quarter seasonally-adjusted basis, the economy grew by 0.9% (4Q 2022: -1.7%).

Headline inflation during the quarter trended lower to 3.6% (4Q 2022: 3.9%). This was due mainly to the moderation in core inflation and lower RON97 price. The decline in core inflation (1Q 2023: 3.9%; 4Q 2022: 4.2%) was largely contributed by selected services. These include telephone and telefax service, food away from home, and personal transport repair and maintenance. Even as cost pressures, particularly global commodity prices, continued to ease, core inflation remained elevated during the quarter amid continued strength in demand. Price pressures remained pervasive. The share of Consumer Price Index (CPI) items recording monthly price increases rose to 56.0% during the quarter (4Q 2022: 51.2%). This in part reflected price adjustments by firms typically done at the beginning of the year (1Q average from 2011 - 2019: 52.2%; Overall average from 2011 - 2019: 45.6%), as well as continued price increases for some food-related items.

Despite global headwinds, the Malaysian economy is projected to expand by 4.0% to 5.0% in 2023, driven by firm domestic demand. Improving employment and income as well as continued implementation of multi-year projects would support consumption and investment activity. Moreover, higher inbound tourism activity would lift high-touch services industries.

Headline and core inflation are expected to moderate but would remain above historical average in 2023. The moderation reflects lower global cost factors amid easing supply chain disruptions and lower commodity prices. However, core inflation will remain at elevated levels amid firm demand conditions. Existing price controls and fuel subsidies will continue to partly contain the extent of upward inflationary pressures. The balance of risk to the inflation outlook is tilted to the upside and remains highly subject to any changes in domestic policy, financial market developments and global commodity prices.

**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 First Quarter ended March 31, 2023**

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

	Current Quarter 31/03/2023 RM'000	Current Year-to- date 31/03/2023 RM'000
Interest expense	76	76
Depreciation and amortization	491	491

**18. Income tax expense**

	Current Quarter 31/03/2023 RM'000	Current Year-to- date 31/03/2023 RM'000
Current year provision	-	-

There is no tax provision for the quarter as the Group is in the position to utilize its tax losses and capital allowances.

**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 31/03/2023		
	Long Term RM'000	Short Term RM'000	Total borrowing RM'000
<b>Secured</b>			
Hire-purchase and lease payables	590	935	1,525
	As at 31/12/2022		
	Long Term RM'000	Short Term RM'000	Total borrowing RM'000
<b>Secured</b>			
Hire-purchase and lease payables	590	1,078	1,668

**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 First Quarter ended March 31, 2023**22. Changes in material litigation**

There was no material litigation as at March 31, 2023.

**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.

	<b>Current Year Quarter Ended 31/03/23</b>	<b>Preceding Year Quarter Ended 31/03/22</b>	<b>Current Year- To- Date Ended 31/03/23</b>	<b>Preceding Year-To- Date Ended 31/03/22</b>
Profit/ (Loss) attributable to owners of the parent (RM'000)	289	566	289	566
No of ordinary shares in issue ('000)	65,098	65,098	65,098	65,098
Basic profit/(loss) per share (sen)	0.44	0.87	0.44	0.87

**25. Authorisation for issue**

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

**By order of the Board**  
Dated 23 May 2023