



# **TRANSOCEAN HOLDINGS BHD**

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

## **UNAUDITED INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED JUNE 30, 2023**

*Dated August 22, 2023*

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**INTERIM FINANCIAL REPORT**  
For the Second Quarter ended June 30, 2023

The Board of Directors is pleased to announce the Interim Financial Report on consolidated results of the Group for the Second quarter ended June 30, 2023.

The figures have not been audited.

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

	INDIVIDUAL QUARTER			Changes (Amount/%)	CUMULATIVE QUARTER			Changes (Amount/%)
	Current Year Quarter Ended 30/06/23 RM'000	Preceding Year Quarter Ended 30/06/22 RM'000			Current Year- To-Date Ended 30/06/23 RM'000	Preceding Year-To- Date Ended 30/06/22 RM'000		
<b>Revenue</b>	<b>8,855</b>	<b>6,110</b>	<b>2,745</b>	<b>45%</b>	<b>17,268</b>	<b>13,356</b>	<b>3,912</b>	<b>29%</b>
Operation profit before depreciation and finance cost	54	784	(730)	(93%)	471	1,654	(1,183)	(72%)
Depreciation & amortisation	(529)	(460)	(69)	15%	(1,020)	(915)	(105)	11%
Profit/(loss) from operations	(475)	324	(799)	>(100%)	(549)	739	(1,288)	>(100%)
Finance cost	(36)	(44)	8	(18%)	(112)	(94)	(18)	19%
Share of profit of an associate	142	(62)	204	>(100%)	581	139	442	>100%
<b>Profit/(loss) before taxation</b>	<b>(369)</b>	<b>218</b>	<b>(587)</b>	<b>&gt;(100%)</b>	<b>(80)</b>	<b>784</b>	<b>(864)</b>	<b>&gt;(100%)</b>
Income tax expense	-	-	-	-	-	-	-	-
<b>Profit/(loss) for the period</b>	<b>(369)</b>	<b>218</b>	<b>(587)</b>	<b>&gt;(100%)</b>	<b>(80)</b>	<b>784</b>	<b>(864)</b>	<b>&gt;(100%)</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 / (loss) for the financial period</b>	<b>(369)</b>	<b>218</b>	<b>(587)</b>	<b>&gt;(100%)</b>	<b>(80)</b>	<b>784</b>	<b>(864)</b>	<b>&gt;(100%)</b>
<b>Profit/(loss) for the period attributable to:</b>								
Owners of the parent	(358)	218	(576)	>(100%)	(69)	784	(853)	>(100%)
Non-controlling interest	(11)	-	(11)	>(100%)	(11)	-	(11)	>(100%)
	<b>(369)</b>	<b>218</b>	<b>(587)</b>	<b>&gt;(100%)</b>	<b>(80)</b>	<b>784</b>	<b>(864)</b>	<b>&gt;(100%)</b>
<b>Total comprehensive profit/ income attributable to:</b>								
Owners of the Company	(358)	218	(576)	>(100%)	(69)	784	(853)	>(100%)
Non-controlling interest	(11)	-	(11)	>(100%)	(11)	-	(11)	>(100%)
	<b>(369)</b>	<b>218</b>	<b>(587)</b>	<b>&gt;(100%)</b>	<b>(80)</b>	<b>784</b>	<b>(864)</b>	<b>&gt;(100%)</b>
<b>Profit/(loss) per share attributable to owners of the parent:</b>								
- Basic (sen)	(0.55)	0.33	(0.88)	>(100%)	(0.11)	1.20	(1.31)	>(100%)
- Diluted (sen)	(0.55)	0.33			(0.11)	1.20		

(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 Second Quarter ended June 30, 2023

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As At</b>	<b>As At</b>
	<b>30/06/23</b>	<b>31/12/22</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	31,373	31,133
Right-of-use assets	1,811	2,268
Investment in associate	23,058	22,477
Deferred tax assets	59	59
	<u>56,301</u>	<u>55,937</u>
<b>Current Assets</b>		
Inventories	516	339
Trade receivables	9,085	8,032
Contract assets	31	73
Other receivables	6,184	1,220
Current tax assets	623	546
Fixed deposits with licensed banks	11	4
Cash and bank balances	989	4,441
	<u>17,439</u>	<u>14,655</u>
<b>TOTAL ASSETS</b>	<b><u>73,740</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	(14,650)	(14,842)
	<u>61,261</u>	<u>61,069</u>
Non-Controlling Interest	(272)	-
<b>Total Equity</b>	<b><u>60,989</u></b>	<b><u>61,069</u></b>

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

	<b>Unaudited</b>	<b>Audited</b>
	<b>As At</b>	<b>As At</b>
	<b>30/06/23</b>	<b>31/12/22</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non-Current Liabilities</b>		
Borrowings	748	502
Lease liabilities	92	88
Deferred tax liabilities	2,011	2,011
	<hr/> 2,851	<hr/> 2,601
<b>Current Liabilities</b>		
Borrowings	281	243
Lease liabilities	353	835
Trade payables	5,072	2,929
Other payables	4,194	2,915
	<hr/> 9,900	<hr/> 6,922
<b>Total Liabilities</b>	<b>12,751</b>	<b>9,523</b>
	<hr/>	<hr/>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>73,740</b>	<b>70,592</b>
	<hr/>	<hr/>
<b>Net assets per share attributable to owners of the company (RM)</b>	<b>0.94</b>	<b>0.94</b>
	<hr/>	<hr/>

(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 Second Quarter ended June 30, 2023

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<b>Attributable to Owners of the Company</b>			<b>Total</b>	<b>Non- controlling Interests</b>	<b>Total Equity</b>
	<b>Non-distributable</b>					
	<b>Share Capital</b>	<b>Other Reserves</b>	<b>Accumulated Losses</b>			
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>2023</b>						
At January 1, 2023	64,719	11,192	(14,842)	61,069	-	61,069
Total comprehensive income:-						
Loss for the financial period	-	-	(69)	(69)	(11)	(80)
	-	-	(69)	(69)	(11)	(80)
Changes in ownership interest in subsidiary	-	-	261	261	(261)	-
At June 30, 2023	64,719	11,192	(14,650)	61,261	(272)	60,989
<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 Second Quarter ended June 30, 2023

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>Current Year-To- Date Ended 30/06/23 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	(80)	1,826
Adjustment for: -		
Non-cash items	1,020	2,035
Share of profit of an associate	(581)	(1,391)
Interest expense	112	194
Operating profit before working capital change	471	2,664
Changes in working capital: -		
Net change in current assets	(2,972)	250
Net change in current liabilities	1,123	947
Cash generated from operations	(1,378)	3,861
Interest paid	(60)	(42)
Taxation paid	(77)	(116)
<b>Net cash used in operating activities</b>	<b>(1,515)</b>	<b>3,703</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of plant and equipment	(1,260)	(899)
Net change in fixed deposit	(7)	7
<b>Net cash generated from investing activities</b>	<b>(1,267)</b>	<b>(892)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of lease liabilities	(478)	(885)
Interest paid	(52)	(153)
Repayment of bank borrowings	(140)	(122)
<b>Net cash used in financing activities</b>	<b>(670)</b>	<b>(1,160)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(3,452)</b>	<b>1,651</b>
Effects of currency translation differences	-	12
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD/YEAR</b>	<b>4,441</b>	<b>2,778</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD/YEAR</b>	<b>989</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 Second Quarter ended June 30, 2023

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**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.



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**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.

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**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 6-month period ended 30 June 2023 are as follows:-

Business segment:	Holding Company	Trading of Tyres	Logistics Singapore	Logistics Solution	Technology Solution	Total RM'000
	"Holding" RM'000	"Tyres" RM'000	"Logistics" RM'000 RM'000		"Technology" RM'000	
Revenue	-	4,550	1,045	11,673	-	17,268
Profit/loss before taxation	(525)	91	(48)	377	25	(80)
Assets	58,850	8,799	945	5,090	56	73,740
Liabilities	3,905	1,564	478	5,651	1,153	12,751

**b. Geographical segments**

The results for the 6-month period ended 30 June 2023 by geographical segments, are as follows:

	Malaysia RM'000	Singapore RM'000	Elimination RM'000	Total RM'000
<b>Revenue</b>				
External	16,223	1,045	-	17,268
Inter-segment	1,477	825	(2,302)	-
Total revenue	17,700	1,870	(2,302)	17,268
Profit from operations	785	267	(581)	471
Finance costs	(87)	(25)	-	(112)
Profit before taxation	(32)	(48)	-	(80)
<b>Other Information</b>				
Segment assets	72,795	945	-	73,740

**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 Second Quarter ended June 30, 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**

The Group had disposed of 20% of its shareholding in its subsidiary, Arka Edge Sdn Bhd (formerly known as Transocean (M) Sdn Bhd) during the quarter.

**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 June 30, 2023 since the last annual statement of financial position date comprise:-

	30/06/2023	31/12/2022
	RM'000	RM'000
Guarantees in favour of financial institutions for securing borrowings granted to subsidiaries		
- secured	1,030	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 Second Quarter ended June 30, 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 RM8.86 million and loss before taxation of RM0.37 million (Last Year: revenue of RM6.11 million and profit before taxation of RM0.22 million). The major movement in the revenue mainly contributed by logistics division and the gap in the profit and loss came from higher operating costs for the Group in current quarter.

Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) from the Group has reduced to RM0.05 million (Last Year: RM0.78 million) due higher operating costs.

*Comparison with preceding quarter*

	<b>Current Quarter 30/06/23 RM'000</b>	<b>Preceding Quarter 31/03/23 RM'000</b>	<b>Changes (Amount/%) RM'000</b>	
Gross revenue	8,855	8,413	442	5%
Operating Profit before depreciation and finance cost	54	418	(364)	(87%)
Share of profit of an associate	142	438	(296)	(68%)
Profit/loss before taxation	(369)	289	(658)	>(100%)

**15. Commentary on prospects**

Malaysia's overall trade contracted 16.3% in June 2023 to RM222.14bil as compared to a year ago as the value of shipments exchanged with its major trading partners remained on a slide. The decline in trade value was owing to a 14.1% drop in exports to RM123.98bil and 18.9% contraction in imports to RM98.16bil.

For the entire second quarter of 2023, trade was down 11.3% year-on-year (y-o-y) to RM643.22bil, with export value falling 11.1% to RM348.68bil, imports dropping 11.5% to RM294.54bil and trade surplus shrinking 8.8% to RM54.14bil.

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**16. Profit forecast or profit guarantee**

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

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

	Current Quarter 30/06/2023 RM'000	Current Year-to- date 30/06/2023 RM'000
Interest expense	36	112
Depreciation and amortization	529	1,020

**18. Income tax expense**

	Current Quarter 30/06/2023 RM'000	Current Year-to- date 30/06/2023 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 30/06/2023		
	Long Term RM'000	Short Term RM'000	Total borrowing RM'000
<b>Secured</b>			
Hire-purchase and lease payables	840	634	1,474
	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

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**21. Off balance sheet financial instruments**

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

**22. Changes in material litigation**

There was no material litigation as at June 30, 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 30/06/23</b>	<b>Preceding Year Quarter Ended 30/06/22</b>	<b>Current Year- To- Date Ended 30/06/23</b>	<b>Preceding Year-To- Date Ended 30/06/22</b>
Profit/ (Loss) attributable to owners of the parent (RM'000)	(358)	218	(69)	784
No of ordinary shares in issue ('000)	65,098	65,098	65,098	65,098
Basic profit/(loss) per share (sen)	(0.55)	0.33	(0.11)	1.20

**25. Authorisation for issue**

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

**By order of the Board**  
Dated 22 August 2023