



HANDAL RESOURCES BERHAD (816839-X)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

	Individual Quarter		Cumulative Period	
	Current Quarter ended	Preceding Year Corresponding Quarter	Cumulative Year To Date	Preceding Year Corresponding Period
	30 September 2017 RM'000	30 September 2016 RM'000	30 September 2017 RM'000	30 September 2016 RM'000
Revenue	12,634	18,972	38,872	64,358
Cost of sales	(8,162)	(10,411)	(21,794)	(37,086)
Gross profit	4,472	8,561	17,078	27,272
Other operating income	195	178	817	510
Administration and other operating expenses	(5,261)	(18,118)	(16,753)	(31,294)
Depreciation and amortisation cost	(690)	(824)	(2,057)	(2,425)
Finance costs	(551)	(474)	(1,343)	(1,492)
Loss before taxation	(1,835)	(10,677)	(2,258)	(7,429)
Income tax expense	88	(404)	(126)	(1,783)
Loss after tax for the period	(1,747)	(11,081)	(2,384)	(9,212)
Other comprehensive income	-	-	-	-
Total other comprehensive income	-	-	-	-
Total comprehensive income/ (loss) for the period	(1,747)	(11,081)	(2,384)	(9,212)
Profit attributable to:				
Equity holders of the parent	(1,747)	(11,046)	(2,383)	(9,176)
Non-controlling Interest	-	(35)	(1)	(36)
Total comprehensive income/ (loss) for the period	(1,747)	(11,081)	(2,384)	(9,212)
Weighted average no. of ordinary shares in issue ('000)	159,690	160,000	159,690	160,000
Earnings/(Loss) per share - Basic (sen)	(1.09)	(6.90)	(1.49)	(5.74)

Notes:

- (i) No impairment provision is required for the Rig Asset in the admin & other operating expenses for both current quarter and the period ended 30 September 2017. (2016 : Included the provision for Impairment loss for the Rig Asset amounting to RM11.93 million in the preceding year corresponding quarter and cumulative financial period)
- ii) Basic earnings/ (loss) per share for the quarter and financial period is calculated based on the net profit/ (loss) divided by the weighted average number of ordinary shares for the quarter and financial period respectively.
- iii) The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying notes attached to this quarterly financial report.



HANDAL RESOURCES BERHAD (816839-X)
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2017

	Unaudited As at 30 September 2017 RM'000	Audited As at 31 December 2016 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	29,855	31,471
Intangible asset	11,305	11,305
	<u>41,160</u>	<u>42,776</u>
Current Assets		
Inventories	12,332	11,938
Work-in-progress	5,931	4,620
Trade receivables (Note II)	29,712	28,910
Amount due by customers for contract works	2,938	4,975
Other receivables, deposits & prepayment	1,918	605
Financial assets held for trading	8,206	8,687
Short term investment	80	78
Fixed deposits with licensed banks	12,824	12,552
Cash on hand and at bank	2,783	9,433
Tax recoverable	33	261
Asset held for sale	13,559	12,306
	<u>90,317</u>	<u>94,365</u>
Total Assets	<u>131,476</u>	<u>137,141</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	80,000	80,000
Treasury shares	(72)	(47)
Share Premium	29	29
Reserves	16,435	18,818
Shareholders' Fund	96,392	98,800
Minority Interests	(21)	(22)
Total equity	<u>96,371</u>	<u>98,778</u>
Non-current liabilities		
Long term borrowings	467	1,851
Deferred taxation	3,908	3,997
	<u>4,375</u>	<u>5,848</u>
Current Liabilities		
Trade payables	1,797	2,260
Other payables and accruals	2,027	2,378
Hire purchase creditors	185	176
Short term borrowings	26,656	25,566
Tax payables	65	2,134
	<u>30,730</u>	<u>32,515</u>
Total liabilities	<u>35,105</u>	<u>38,363</u>
Total equity and liabilities	<u>131,476</u>	<u>137,141</u>
Net Assets Per Share Attributable to ordinary equity holders of the	0.60	0.62

Notes:

- (i) The Condensed Consolidated Statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying notes attached to this quarterly financial report.
- (ii) Trade Receivable consist of Trade Debtors RM9.72million (FYE16: RM10.89 million) and Accrued Revenue RM19.99 million (FYE16: RM18.02 million).



HANDAL RESOURCES BERHAD (816839-X)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017**

	Attributable to equity holders of the Company								
	Share Capital	Treasury Shares	Share Premium	Warrant Reserve	Retained Profits	Shareholders' Fund	Non- controlling Interest	Total Equity	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance as at 1 Jan 2017	80,000	(47)	29	-	18,818	98,800	(22)	98,778	
Repurchase of Treasury Shares	-	(25)	-	-	-	(25)	-	(25)	
Total comprehensive income/ (loss) for the year	-	-	-	-	(2,383)	(2,383)	1	(2,382)	
Balance as at 30 September 2017	80,000	(72)	29	-	16,435	96,392	(21)	96,371	

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying notes attached to this quarterly financial report.



HANDAL RESOURCES BERHAD (816839-X)
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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017**

	Period Ended 30 September 2017	Preceding year Corresponding Period 30 September 2016
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(2,258)	(7,429)
Adjustments for Non Cash items	2,678	15,517
Operating profit before working capital changes	420	8,088
Decrease/(Increase) in Inventories	(395)	(20)
Decrease/(Increase) in work-in-progress	(1,021)	(2,340)
Decrease/(Increase) in trade receivables	(2,114)	14,100
Decrease/(Increase) in amount due from customers for contract works	2,037	5,105
Decrease/(Increase) in other receivables, deposits and prepayments	-	-
(Decrease)/Increase in payables	(1,939)	(14,254)
(Decrease)/Increase in amount due to customers for contract works	-	(327)
Cash generated from operations	(3,012)	10,351
Interest paid	(903)	(693)
Tax paid	(1,190)	(2,043)
Tax refunded	260	40
Net cash from operating activities	(4,845)	7,655
CASH FLOWS FROM INVESTING ACTIVITIES		
Placement of fixed deposits	(272)	(286)
Purchase of property, plant and equipment	(1,852)	(1,230)
Interest received	272	287
Net proceeds/(Acquisition) from disposal of quoted non-equity investment	740	(6,000)
Net cash used in investing activities	(1,112)	(7,229)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(218)	(798)
Repayment of term loan	(2,170)	(2,026)
Increase/(Repayment) of hire purchase creditors	(295)	286
Net increase/(decrease) in bills payable	(1,493)	(5,958)
Purchase of Treasury Shares	(25)	-
Net cash used in financing activities	(4,201)	(8,496)
Net (decrease)/increase in cash and cash equivalents	(10,158)	(8,070)
Cash and cash equivalents at beginning of the period	(6,757)	(5,440)
Cash and cash equivalents at end of the period	(16,915)	(13,510)
Cash and cash equivalents comprises :-		
Short term investment and fixed deposits with licensed banks	12,903	12,501
Cash and bank balances	2,783	2,955
Bank overdraft	(19,777)	(16,532)
	(4,091)	(1,076)
FD pledged with licenced banks	(12,824)	(12,434)
	(16,915)	(13,510)

Notes:

The Condensed Consolidated Statement of Cashflow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying notes attached to this quarterly financial report.