



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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

	Individual Quarter		Cumulative Period	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31 December 2017 RM'000	31 December 2016 RM'000	31 December 2017 RM'000	31 December 2016 RM'000
Revenue	24,772	18,751	63,644	83,109
Cost of sales	(11,599)	(11,712)	(33,393)	(50,862)
Gross profit	13,173	7,039	30,251	32,247
Other operating income	160	245	977	755
Administration and other operating expenses	(9,888)	(9,874)	(26,641)	(41,168)
Depreciation and amortisation cost	(704)	(824)	(2,761)	(1,185)
Finance costs	(511)	(560)	(1,854)	(2,052)
Profit/(Loss) before taxation	2,230	(3,974)	(28)	(11,403)
Income tax expense	(2,216)	(381)	(2,342)	(2,164)
Profit/(Loss) after tax for the period	14	(4,355)	(2,370)	(13,567)
Other comprehensive income	-	-	-	-
Total other comprehensive income	-	-	-	-
Total comprehensive profit/(loss) for the period	14	(4,355)	(2,370)	(13,567)
Profit attributable to:				
Equity holders of the parent	16	(4,349)	(2,367)	(13,525)
Non-controlling Interest	(2)	(6)	(3)	(42)
Total comprehensive profit/(loss) for the period	14	(4,355)	(2,370)	(13,567)
Weighted average no. of ordinary shares in issue (' 000)	159,690	159,790	159,690	159,790
Profit/(Loss) per share - Basic (sen)	0.01	(2.72)	(1.48)	(8.46)

Notes:

- (i) The admin and other operating expenses for the cumulative period ended 31 December 2017 include :-
 - (a) provision for impairment loss for the Rig asset amounting to RM0.55 million (2016 : RM14.70 million)
 - (b) provision for impairment loss for Handal Offshore Services's intangible asset amounting to RM2.62 million (2016 : RM0.65 million)
 - (c) provision for impairment loss on Handal Offshore Services's trade receivable amounting to RM0.34 million (2016 : RM0.13 million)
- (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)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Unaudited As at 31 December 2017 RM'000	Audited As at 31 December 2016 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	29,295	31,471
Intangible asset	8,680	11,305
	<u>37,975</u>	<u>42,776</u>
Current Assets		
Inventories	11,906	11,938
Work-in-progress	1,771	4,620
Trade receivables (Note II)	49,949	28,910
Amount due by customers for contract works	1,758	4,975
Other receivables, deposits & prepayment	2,123	605
Financial assets held for trading	7,070	8,687
Short term investment	34	78
Fixed deposits with licensed banks	12,932	12,552
Cash on hand and at bank	997	9,433
Tax recoverable	32	261
Asset held for sale	10,186	12,306
	<u>98,758</u>	<u>94,365</u>
Total Assets	<u>136,733</u>	<u>137,141</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	80,029	80,000
Treasury shares	(72)	(47)
Share Premium	-	29
Reserves	16,439	18,818
Shareholders' Fund	<u>96,396</u>	<u>98,800</u>
Minority Interests	(13)	(22)
Total equity	<u>96,383</u>	<u>98,778</u>
Non-current liabilities		
Hire purchase creditors	418	607
Long term borrowings	-	1,244
Deferred taxation	3,908	3,997
	<u>4,326</u>	<u>5,848</u>
Current Liabilities		
Trade payables	2,791	2,260
Other payables and accruals	3,893	2,378
Hire purchase creditors	188	176
Short term borrowings	26,873	25,567
Tax payables	2,279	2,134
	<u>36,024</u>	<u>32,515</u>
Total liabilities	<u>40,350</u>	<u>38,363</u>
Total equity and liabilities	<u>136,733</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 RM21.98 million (FYE16: RM10.89 million) and Accrued Revenue RM27.97 million (FYE16: RM18.02 million).
- (iii) The Share Premium is transfer to Share Capital and in compliance with the Companies Act 2016.



HANDAL RESOURCES BERHAD (816839-X)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017**

	Attributable to equity holders of the Company						
	Share Capital	Share Premium	Treasury Shares	Retained Profits	Shareholders' Fund	Non- controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 Jan 2017	80,000	29	(47)	18,818	98,800	(22)	98,778
Repurchase of Treasury Shares	-		(25)	-	(25)	-	(25)
Effect on transition to no par value shares	29	(29)	-	-	-	-	-
Effect of subscription of additional shares in subsidiary				(12)	(12)	12	-
Total comprehensive income/ (loss) for the year	-		-	(2,367)	(2,367)	(3)	(2,370)
Balance as at 31 December 2017	80,029	-	(72)	16,439	96,396	(13)	96,383

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)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

	Current Year To Date	Preceding Year Corresponding Period
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(28)	(11,403)
Adjustments for Non Cash items	5,336	20,109
Operating profit before working capital changes	5,308	8,706
Decrease/(Increase) in inventories	32	212
Decrease/(Increase) in work-in-progress	3,387	645
Decrease/(Increase) in trade receivables	(22,556)	18,319
Decrease/(Increase) in amount due from customers for contract works	3,217	5,764
(Decrease)/Increase in payables	920	(8,983)
(Decrease)/Increase in amount due to customers for contract works	-	(327)
Cash (used in)/ generated from operations	(9,692)	24,336
Interest paid	(6)	-
Tax paid	(1,190)	(4,701)
Tax refunded	261	40
Net cash (used in)/ generated from operating activities	(10,627)	19,675
CASH FLOWS FROM INVESTING ACTIVITIES		
Placement of fixed deposits	(380)	(405)
Purchase of property, plant and equipment	(994)	(1,478)
Proceeds from disposal of property, plant and equipment	1,569	3
Interest received	446	406
Net proceeds/(Acquisition) from disposal of quoted non-equity investment	1,985	(5,579)
Share repurchased	-	(47)
Net cash generated from/ (used in) investing activities	2,626	(7,100)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(72)	(2,052)
Repayment of term loan	559	(3,869)
Increase/(Repayment) of hire purchase creditors	(396)	(418)
Net increase/(decrease) in bills payable	(5,148)	(7,554)
Purchase of Treasury Shares	(25)	-
Net cash used in financing activities	(5,082)	(13,893)
Net (decrease)/increase in cash and cash equivalents	(13,083)	(1,318)
Currency translation difference	-	1
Cash and cash equivalents at beginning of the period	(6,757)	(5,440)
Cash and cash equivalents at end of the period	(19,840)	(6,757)
Cash and cash equivalents comprises :-		
Short term investment and fixed deposits with licensed banks	13,014	12,630
Cash and bank balances	997	9,433
Bank overdraft	(20,919)	(16,268)
	(6,908)	5,795
FD pledged with licenced banks	(12,932)	(12,552)
	(19,840)	(6,757)

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.



HANDAL RESOURCES BERHAD (816839-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

NOTES TO THE QUARTERLY REPORT ON THE CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of Preparation

These condensed consolidated interim financial statements, for the period ended 31 December 2017, have been prepared in accordance with MFRS 134 *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board. For the periods up to and including the year ended 31 December 2016, the Group prepared its financial statements in accordance with Malaysia Financial Reporting Standards (“MFRS”).

The explanatory notes attached to these condensed consolidated interim financial statements 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 since the year ended 31 December 2016.

A2. Significant Accounting Policies

New MFRSs and IC Interpretation and Amendments to MFRSs That Are In Issue But Not Yet Effective

At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and Issues Committee (IC) Interpretation were issued and have been applied by the Group.

Effective for annual periods beginning on or after 1 January 2017

Amendments to MFRS 107 *Disclosure Initiative*
Amendments to MFRS 112 *Recognition of Deferred Tax Assets for Unrealised Losses*
Amendments to MFRSs Classified as “Annual Improvements to MFRSs 2012 - 2014 Cycle”
Amendments to MFRS 12 *Disclosure of Interests in Other Entities*

Effective for annual periods beginning on or after 1 January 2018

MFRS 9 *Financial Instruments (IFRS 9 issued in July 2014)*
MFRS 15 *Revenue from Contracts with Customers*
Clarifications to MFRS 15 *Revenue from Contracts with Customers*
Amendments to MFRS 2 *Classification and Measurement of Share-based Payment Transactions*
Amendments to MFRS 4 *Applying MFRS 9, Financial Instruments with MFRS 4, Insurance Contracts*
Amendments to MFRS 140 *Transfers of Investment Property*



HANDAL RESOURCES BERHAD (816839-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

*Amendments to MFRSs Classified as “Annual Improvements to MFRS Standards
2014 - 2016 Cycle”*

Amendments to MFRS 1	<i>First-time Adoption of Malaysian Reporting Standards</i>
Amendments to MFRS 128	<i>Investments in Associates and Joint Ventures</i>
IC Interpretation 22	<i>Foreign Currency Transactions and Advance Consideration</i>

Effective for annual periods beginning on or after 1 January 2019

MFRS 16	<i>Leases</i>
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Effective for annual periods beginning on or after a date to be determined by MASB

Amendments to MFRS 10 and MFRS 128	<i>Sale or Contribution of Assets between an Investor and its Associates or Joint Ventures</i>
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The Group and the Company will apply the above new MFRSs, IC Interpretation and amendments to MFRSs that are applicable once they become effective.

A3. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the preceding audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2016 did not contain any qualification.

A4. Items of Unusual Nature

There were no items affecting the assets, liabilities, equity, net income or cash flow of the Group that are unusual because of their nature, size or incidence for the financial quarter under review.

A5. Changes in Estimates

There were no changes in estimates of amounts reported in prior financial years that have had a material effect in the current financial quarter.

A6. Changes in Debt and Equity Securities

There were no issuance and repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter under review.

A7. Dividend Paid and Distributed

There were no dividends paid in the current period.



HANDAL RESOURCES BERHAD (816839-X)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2017**

A8. Segmental Information

The Group is organized into the following operating segments:-

- a) Integrated crane services contracts (“Integrated crane services”).
- b) Manufacturing and fabrication of new offshore pedestal cranes (“Fabrication of cranes”).
- c) Workover projects lifting solutions.
- d) Supply, fabrication & servicing industrial equipments & tank systems.
- e) Consultants in engineering project support services.

HANDAL RESOURCES BERHAD (816839-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

	Investment holding	Integrated crane services	Fabrication of cranes	Workover projects lifting solutions	Supply, fabrication & servicing industrial equipments & tank systems	Consultants In Engineering project support services	Eliminations	Consolidated
Year ended 31 December 2017	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000
Revenue								
Revenue from external parties	-	55,539	4,503	-	3,602	-		63,644
Inter-segment revenue	17,950	-	-	-	-	68	(18,018)	-
Total revenue	17,950	55,539	4,503	-	3,602	68	(18,018)	63,644
Results								
Profit from operations	17,950	28,841	748	-	662	-	(17,950)	30,251
Other operating income								977
GP Margin	100%	52%	17%	-	18%	-		
Administration & Other operation expenses								(26,641)
Depreciation & amortization								(2,761)
Finance cost								(1,854)
Loss before tax								(28)
Taxation								(2,342)
Loss after tax								(2,370)
Assets								
Segment assets	78,262	99,719	14,703	27	1,947	10,664	(68,589)	136,733
Liabilities								
Segment liabilities	451	46,392	6,840	12	1,452	2,290	(17,087)	40,350



HANDAL RESOURCES BERHAD (816839-X)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2017**

A9. Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment in the current financial quarter.

A10. Capital Commitments

There are no material capital commitments as at the date of this report.

A11. Material events subsequent to the end of period reported

There were no material events subsequent to the end of the period reported.

A12. Changes in composition of the Group

There were no changes in composition of the Group for the financial quarter under review.

A13. Contingent liabilities or contingent assets

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

A14. Significant Related Party Transactions

The Group had the following transactions during the current financial quarter with a related party in which a director of the Company has substantial financial interest :-

Name of Related Parties	Nature of Transaction	Amount of Transaction (RM'000)
Excell Crane & Hydraulics Inc	Material and spare parts supply	352



HANDAL RESOURCES BERHAD (816839-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

NOTES TO THE QUARTERLY REPORT ON THE CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

PART B – ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)

B1. Review Of Performance Of The Group - Period ended 31 December 2017

(a) Current Quarter (Q4 2017) vs Preceding Year Corresponding Quarter (Q4 2016)

	Individual Period (4th quarter)		Variance	
	Current Quarter	Preceding Year Corresponding Quarter		
	31 December 2017	31 December 2016		
	RM' 000	RM' 000	RM' 000	%
Revenue	24,772	18,751	6,021	32
Gross Profits	13,173	7,039	6,134	87
Profit/(Loss) Before Interest and Tax	2,741	(3,414)	6,155	-180
Profit/(Loss) Before Tax	2,230	(3,974)	6,204	-156
Profit/(Loss) After Tax	14	(4,355)	4,369	-100
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	16	(4,349)	4,365	-100

For the current quarter, the Group posted a profit before tax of RM2.23 million as compared to a loss before tax of RM3.97 million registered in the preceding year corresponding quarter.

This is mainly due to higher revenue and lower provision for impairment loss on rig asset of RM0.55 million (2016 : RM2.77 million).



HANDAL RESOURCES BERHAD (816839-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

Performance of the respective operating business segments for the 4th Quarter 2017 as compared to the previous year corresponding quarter is analysed as follows:-

1) Integrated crane business

The revenue of this business segment has increased from RM18.02 million to RM21.57 million due to increase in maintenance activities under the new contracts.

The Gross profit margin (4Q17:57% vs. 4Q16:31%) has increased due to higher operational efficiency.

2) Fabrication of crane business

The revenue of this business segment is recognized based on the percentage (%) completion method. As per current quarter, there was RM0.24 million sales generated compared to RM1.49 million in the preceding year corresponding quarter.

The Gross profit margin has improved due to tighter cost control in the current quarter.

3) Workover Project business

There was no workover project during this current quarter as compared to RM0.44 million in the preceding year corresponding quarter primarily due to cut back in the well maintenance campaign by the major oil operators in the current quarter.

4) Supply, fabrication & servicing industrial equipments & tank

The revenue of this business segment increased from RM0.49 million to RM1.72 million due to increased business activities.

The Gross profit margin (4Q17:14% vs. 4Q16:18%) has reduced due to competitive market conditions.



HANDAL RESOURCES BERHAD (816839-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

(b) Current Year to Date vs. Preceding Year Corresponding Period.

	Cumulative Period		Variance	
	Current Year to Date	Preceding Year Corresponding Period		
	31 December 2017	31 December 2016		
	RM' 000	RM' 000	RM' 000	%
Revenue	63,644	83,109	(19,465)	-23
Gross Profits	30,251	32,247	(1,996)	-6
Profit/(Loss) Before Interest and Tax	1,826	(9,351)	11,177	-120
Loss Before Tax	(28)	(11,403)	11,375	-100
Loss After Tax	(2,370)	(13,567)	11,197	-83
Loss Attributable to Ordinary Equity Holders of the Parent	(2,367)	(13,525)	11,158	-82

Despite a lower revenue reported in 2017, the Group recorded a pre-tax loss of RM0.28 million as compared to a loss before tax of RM11.40 million. This is mainly due to higher provision of impairment loss of rig asset of RM14.70 million in 2016 against the current year provision of RM0.55 million.

Performance of the respective operating business segments for financial period ended 31 December 2017 as compared to the preceding year corresponding period is analysed as follows:-

1) Integrated crane business

The revenue of this business segment decreased from RM66.47 million to RM55.54 million due to lower maintenance activities in the first three quarters of 2017.

The Gross profit margin has increased (YTD2017:52% vs. YTD2016:44%) due to operational efficiency.

2) Fabrication of crane business

The revenue of this business segment has reduced from RM11.94 million to RM4.50 million due to a reduction in new crane requirements for this period.



HANDAL RESOURCES BERHAD (816839-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

3) Workover Project business

There was no workover project during this current cumulative period as compared to RM3.70 million in the preceding year corresponding period primarily due to a reduction in well maintenance campaign by the major oil operators.

4) Supply, fabrication & servicing industrial equipments & tank

The revenue of this business segment has increased from RM1.00 million to RM3.60 million.

The Gross profit margin (YTD2017:18% vs. YTD2016:25%) has decreased due to competitive market conditions.

B2. Material Changes In The Quarterly Results Compared To The Results Of The Preceding Quarter

	Current Quarter	Immediate Preceding Quarter	Variance	
	31 December 2017	30 September 2017		
	RM' 000	RM' 000	RM' 000	%
Revenue	24,772	12,634	12,138	96
Gross Profits	13,173	4,472	8,701	195
Profit/(Loss) Before Interest and Tax	2,741	(1,284)	4,025	-313
Profit/(Loss) Before Tax	2,230	(1,835)	4,065	-222
Profit/(Loss) After Tax	14	(1,747)	1,761	-101
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	16	(1,747)	1,763	-101

For the current quarter, the Group registered a profit before tax of RM2.23 million as compared to a loss before tax of RM1.84 million in the preceding quarter due to higher crane maintenance activities under the new contracts.

B3. Prospects

The Group performance is expected to be challenging for the current financial year in view of the global oil supply situation continuing to influence industry outlook.

However, with the improving oil prices, the Group expects market conditions to improve.



HANDAL RESOURCES BERHAD (816839-X)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2017**

B4. Profit Forecast

The Group has not issued any profit forecast for the current financial period.

B5. Taxation

	Current quarter ended 31 December 2017 RM' 000	For the year ended 31 December 2017 RM' 000
Current tax	2,216	2,430
Deferred tax	-	(88)
	<u>2,216</u>	<u>2,342</u>

The Group's effective tax rates for the current quarter and financial year respectively are higher than the statutory rate of 24% principally due to losses of certain subsidiaries which cannot be offset against taxable profit made by Handal Offshore Services Sdn. Bhd. and certain expenses were not deductible for tax purpose.

B6. Status of Corporate Proposals

There was no corporate proposal announced for the current reporting quarter.



HANDAL RESOURCES BERHAD (816839-X)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2017**

B7. Group Borrowings and Debt Securities

The Group's borrowings, all of which are secured, are as follows:

	As at 31 December 2017 <u>RM'000</u>	As at 31 December 2016 <u>RM'000</u>
Short term borrowings-Secured		
Bank overdrafts	20,918	16,268
Bankers' acceptances	4,680	5,149
Term Loan	1,275	4,150
Hire Purchase liabilities	188	176
	<u>27,061</u>	<u>25,743</u>
Long term borrowings-Secured		
Term Loan	-	1,244
Hire Purchase liabilities	418	607
	<u>418</u>	<u>1,851</u>
Total Borrowings	<u>27,479</u>	<u>27,594</u>

B8. Material Litigation

There was no material litigation as at the date of issuance of this quarterly report.



HANDAL RESOURCES BERHAD (816839-X)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2017**

B9. Earnings/ (Loss) Per Share

	Individual Period		Cumulative Quarter	
	Current Quarter Ended 31-December-17 RM'000	Corresponding Quarter Ended 31-December-16 RM'000	Cumulative Year To Date 31-December-17 RM'000	Corresponding Year To Date 31-December-16 RM'000
BASIC EARNINGS PER SHARE				
Profit/(Loss) for the period attributable to ordinary equity holders of the company	16	(4,349)	(2,367)	(13,525)
Weighted average number of ordinary shares in issue ('000)	159,690	159,790	159,690	159,790
Basic earnings/(loss) per share (sen)	0.01	(2.72)	(1.48)	(8.46)

B10. Profit/ (Loss) before Taxation

Profit/ (Loss) before taxation is arrived at after crediting/ (charging) the following income/ (expenses):

	Current Quarter ended 31 December 2017 RM'000	Cumulative Quarter ended 31 December 2017 RM'000
- Interest Income	90	362
- Foreign exchange gain/(loss)	11	(47)
- Short Term Investment Income	71	332
- Depreciation and amortization	(704)	(2,761)
- Impairment on Non current asset held for sale	(552)	(552)



HANDAL RESOURCES BERHAD (816839-X)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2017**

B11. Dividends

The Directors have not recommended any dividend for the current quarter ended 31 December 2017.

B12. Trade Receivables

The analysis of the Group's trade receivables are as follows:

	As at 31 December 2017 RM'000	As at 31 December 2016 RM'000
Neither past due nor impaired	39,211	22,703
1 to 30 days past due not impaired	5,026	2,143
31 to 60 days past due not impaired	979	760
61 to 90 days past due not impaired	2,217	-
More than 90 days past due not impaired	2,516	3,303
	10,738	6,206
Past due and impaired	335	131
	50,284	29,040
Less: Impairment losses	(335)	(130)
	49,949	28,910

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the year.

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM10.74 million (31 December 2016: RM6.21 million) that are past due at the reporting date but not impaired. These are unsecured in nature.

Subsequent to the current reporting quarter, the Group has collected RM9.90 million from these outstanding trade receivables.



HANDAL RESOURCES BERHAD (816839-X)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2017**

B13. Realised and unrealized profits / (losses) disclosure.

The retained profits as at 31 December 2017 analysed as follows:-

	As At End of Current Quarter
	31/12/2017 RM'000
Total retained profits of the Company and the subsidiaries:-	
- Realised	24,358
- Unrealised	(3,909)
	<hr/>
	20,450
Less: Consolidation adjustment	(4,011)
Total Group retained profits as per consolidated income statements	<hr/> <hr/>
	16,439