

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

	Individual Quarter		Cumulative Year	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	To Date	Corresponding
	1 Jul 2024 to 30 Sept 2024	1 Jul 2023 to 30 Sept 2023	1 Jul 2024 to 30 Sept 2024	1 Jul 2023 to 30 Sept 2023
	RM'000	RM'000	RM'000	RM'000
Revenue	2,399	n/a	2,399	n/a
Cost of sales and services	(1,487)	n/a	(1,487)	n/a
Gross profit	912	-	912	-
Other operating income	52	n/a	52	n/a
Administration and other operating expenses	(3,855)	n/a	(3,855)	n/a
Depreciation	(311)	n/a	(311)	n/a
Finance costs	0	n/a	0	n/a
(Loss)/profit before taxation	(3,202)	-	(3,202)	-
Income tax expense	-	n/a	-	n/a
(Loss)/profit after tax for the period	(3,202)	-	(3,202)	-
Other comprehensive income	-	n/a	-	n/a
Total other comprehensive income	-	-	-	-
Total comprehensive (loss)/profit for the period	(3,202)	-	(3,202)	-
Total comprehensive loss attributable to:				
Equity holders of the parent	(2,134)	n/a	(2,134)	n/a
Non-controlling Interest	(1,068)	n/a	(1,068)	n/a
	(3,202)	-	(3,202)	-
Weighted average no. of ordinary shares in issue ('000) (Note 1)	410,641		410,641	
Loss per share attributable to Owners of the Company				
- Basic (sen)	(0.52)	-	(0.52)	-
Loss per share - Diluted (sen)	(0.52)	-	(0.52)	-

Notes:

- Basic/ Diluted earnings per share for the quarter and financial period are calculated based on the net profit divided by the weighted average number of ordinary shares for the quarter.
- The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the financial statements for the financial period ended 30 June 2024 and the accompanying notes attached to this quarterly financial report.
- There are no comparative figures for the quarter ended 30 September 2024. Due to the change in financial year end from 31 December to 30 June, the Unaudited Condensed Consolidated Statement of comprehensive income for the current quarter ended 30 September 2024, being the 1st quarter of the financial year ending 30 June 2025, is not comparable with the fifth quarter of the previous financial period ended 30 June 2024.

HANDAL ENERGY BERHAD
(Company Registration No. 200801015549 (816839-X))
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

	Unaudited As at 30 September 2024 RM'000	Audited As at 30 June 2024 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	36,656	36,936
Right of Use Assets	209	210
Investment in joint ventures	4,500	4,500
Intangible assets (Note 1)	18,302	18,302
	<u>59,667</u>	<u>59,948</u>
Current Assets		
Inventories	9,666	7,773
Trade receivables	26,162	13,927
Other receivables	9,624	6,589
Contract cost assets	-	625
Tax recoverable	277	468
Fixed deposits with licensed banks	1,509	1,353
Cash in hand and at bank	419	1,070
	<u>47,657</u>	<u>31,805</u>
Total Assets	107,324	91,753
EQUITY AND LIABILITIES		
Equity		
Share capital	35,720	35,720
Reserve	14,920	14,920
Treasury shares	(72)	(72)
Accumulated losses	(37,063)	(34,929)
Equity attributable to owners of the Company	13,505	15,639
Non-controlling interests	7,915	8,983
Total equity	<u>21,420</u>	<u>24,622</u>
Non-current liabilities		
Lease liabilities	-	127
Deferred taxation	458	125
	<u>458</u>	<u>252</u>
Current Liabilities		
Trade payables	7,067	7,338
Other payables	59,339	42,371
Lease liabilities	1,295	1,097
Short term borrowings	14,659	13,947
Amount owing to a Director	2,939	1,979
Contract liabilities	-	-
Current tax liabilities	147	147
	<u>85,446</u>	<u>66,879</u>
Total liabilities	<u>85,904</u>	<u>67,131</u>
Total equity and liabilities	107,324	91,753
Net Assets Per Share attributable to Owners of the Company (RM)	0.03	0.07

Note:

- Intangible assets include Goodwill arising from surplus of purchase consideration from acquisition of subsidiaries over the fair value of the net assets of the said subsidiaries.

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial period ended 30 June 2024 and the accompanying notes attached to this quarterly financial report.

HANDAL

HANDAL ENERGY BERHAD

(Company Registration No. 200801015549 (816839-X))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

For 12 months ended 30 September 2024	Attributable to equity holders of the Company						Non- controlling Interest RM'000	Total Equity RM'000
	Non-distributable			Distributable		Total RM'000		
	Share Capital RM'000	Treasury Shares RM'000	Warrant Reserve RM'000	Accumulated Losses RM'000	Total RM'000			
Balance as at 1 July 2024	35,720	(72)	14,920	(34,929)	15,639	8,983	24,622	
Total comprehensive loss for the year	0	0	0	(2,134)	(2,134)	(1,068)	(3,202)	
Balance as at 30 September 2024	35,720	(72)	14,920	(37,063)	13,505	7,915	21,420	

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2024 and the accompanying notes attached to this quarterly financial report.

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 SEPT 2024**

	Current Year Quarter 1 Jul 2024 to 30 Sept 2024 RM'000	Preceding Year Corresponding Quarter 1 Jul 2023 to 30 Sept 2023 RM'000
Cash flows from operating activities		
Profit/(Loss) before taxation	(3,202)	n/a
Adjustments for:		
Depreciation of property, plant and equipment	311	n/a
Depreciation of right-of-use assets	0	n/a
Interest income	0	n/a
Interest expense	0	n/a
(Gain)/Loss on disposal of subsidiary company	0	n/a
(Gain)/Loss on disposal of PPE	0	n/a
Operating loss before changes in working capital	(2,891)	n/a
Changes in working capital:		
Inventories	(1,894)	n/a
Trade and other receivables	(12,438)	n/a
Contract cost assets	625	n/a
Trade and other payables	15,197	n/a
	(1,401)	-
Net cash generated from operations		
Interest received	0	n/a
Interest paid	192	n/a
Tax paid	0	n/a
Net cash (used in)/generated from operating activities	(1,209)	n/a
Cash flows from investing activities		
Purchase of PPE	(31)	n/a
Proceed from disposal of PPE	0	n/a
Net cash outflow in investment in a subsidiary	0	
Investment in joint ventures	0	
Placement of fixed deposit	(156)	n/a
Net cash (used in)/ generated from investing activities	(187)	n/a

The Unaudited Condensed Consolidated Statement of Cash flow should be read in conjunction with the audited financial statements for the financial period ended 30 September 2024 and the accompanying notes attached to this quarterly financial report.

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 SEPT 2024**

	Current Year Quarter	Preceding Year Corresponding Quarter
	1 Jul 2024 to 30 Sept 2024	1 Jul 2023 to 30 Sept 2023
	RM'000	RM'000
Cash flows from financing activities		
Drawdown from/(Repayment of) trade financing	4,882	n/a
Issuance of share capital	-	n/a
Repayment of lease liabilities and borrowings	(390)	n/a
Net cash generated from financing activities	4,492	-
Net increase in cash and cash equivalents	3,096	n/a
Effect of exchange rate differences	-	-
Changes in cash and cash equivalents classified as held for sale	-	-
Cash and cash equivalents at the beginning of the financial year/period	(7,301)	n/a
Cash and cash equivalents at the end of the financial year/period	(4,205)	-
Cash and cash equivalents at the end of the financial year/period comprises:		
Cash and bank balances	419	n/a
Fixed deposits	1,509	n/a
Bank overdrafts	(4,625)	n/a
	(2,696)	-
Less: Fixed deposits pledged with licensed banks	(1,509)	n/a
	(4,205)	-

The Unaudited Condensed Consolidated Statement of Cash flow should be read in conjunction with the audited financial statements for the financial period ended 30 September 2024 and the accompanying notes attached to this quarterly financial report.

THE INTERIM FINANCIAL REPORT**A. EXPLANATORY NOTES PURSUANT TO MFRS 134****A1. Basis of Preparation**

The final financial report has been prepared in accordance with MFRS 134: Interim Financial Reporting and Paragraph 9.22 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The final financial report should be read in conjunction with the audited financial statements of the Group for the financial period ended 30 June 2024. The explanatory notes attached to the final financial report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial period ended 30 June 2024. The financial statements of the Group, which comprise the statement of financial position of the Group as at 30 September 2024, the statement of comprehensive income, statement of changes in equity and the statement of cash flows for the financial period ended 30 September 2024 have not been audited.

A2. Application of New and Amendments to MFRSs

The significant accounting policies applied are consistent with those adopted for the audited financial statements for the financial period ended 30 June 2024 except for the adoption of the following amendments to published standards:

(a) Amendments to published standards and annual improvements that are effective for the Group’s financial year beginning on or after 1 January 2023 and applicable to the Group are as follows:

- MFRS 17, “Insurance Contracts”
- Amendments to MFRS 17, “Insurance Contracts” (Initial application of MFRS 17 and MFRS 9 - Comparative Information)
- Amendments to MFRS 101, “Presentation of Financial Statements” (Classification of Liabilities as Current or Non-current)
- Amendments to MFRS 101, “Presentation of Financial Statements” (Disclosure of Accounting Policies)
- Amendments to MFRS 108, “Accounting Policies, Changes in Accounting Estimates and Errors” (Definition of Accounting Estimates)
- Amendments to MFRS 112, “Income Taxes” (Deferred Tax related to Assets and Liabilities arising from a Single Transaction)

The adoption of the above amendments to published standards and annual improvements did not result in any significant change to the accounting policies and did not have a material impact on the interim financial report of the Group.



HANDAL ENERGY BERHAD

(Company Registration No. 200801015549 (816839-X))

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED
30 SEPTEMBER 2024**

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the preceding audited financial statements of the Group and the Company for the financial period ended 30 June 2024 was unmodified.

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 financial quarter other than disclosed in Note B7.

A7. Dividend Paid and Distributed

There were no dividends paid in the current financial period.

A8. Segmental Information

The Group is organized into the following operating segments: -

- (i) Investment Holding
Investment holding activities in subsidiaries, joint venture and other investments.
- (ii) Integrated Maintenance, Repair and Overhaul services
Provision of crane rental, maintenance overhaul and repair along with turbo machinery maintenance, repair, and overhaul.

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)
A8. Segmental Information (Continued)

- (iii) Inspection, maintenance and repair pipeline and structures
Provision of fabrication, maintenance and engineering services for risers, pig traps and pipeline isolations, etc.
- (iv) Others
Crane manufacturing, mining, digital business, project management consultancy services in well services and pre-operating entities.

For 3 Months Period ended 30 June 2024	Investment holding	Integrated Maintenance , Repair and Overhaul	Others	Consolidated adjustment	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
Revenue from external	0	2,399	0	0	2,399
Inter-segment	0	0	0	0	0
Total revenue	0	2,399	0	0	2,399
Results					
Gross Profit	0	912	0	0	912
GP Margin	0%	38%	0%	0%	38%
Other operating income	24	27	1	0	52
Administrative and Other operation expenses	(611)	(3,206)	(38)	0	(3,855)
Depreciation	(48)	(225)	(38)	0	(311)
Finance cost	0	0	0	0	0
Profit/(Loss) before tax	(635)	(2,492)	(75)	0	(3,202)
Taxation	0	0	0	0	0
Profit/(Loss) after tax	(635)	(2,492)	(75)	-	(3,202)
Assets					
Segment assets	46,606	164,542	9,496	(113,320)	107,324
Liabilities					
Segment liabilities	25,646	125,999	17,102	(82,843)	85,904

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)

A8. Segmental Information (Continued)

Financial period ended 30 September 2024	Investment holding	Integrated Maintenance , Repair and Overhaul	Others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
Revenue from external	0	2,399	0	0	2,399
Inter-segment	0	0	0	0	0
Total revenue	0	2,399	0	0	2,399
Results					
Gross Profit	0	912	0	0	912
GP Margin	0%	38%	0%		38%
Other operating income	24	27	1	0	52
Administrative and Other operation expenses	(611)	(3,206)	(38)	0	(3,855)
Depreciation	(48)	(225)	(38)		(311)
Finance cost		0	0		0
Profit/(Loss) before tax	(635)	(2,492)	(75)	0	(3,202)
Taxation	0	0	0	0	0
Profit/(Loss) after tax	(635)	(2,492)	(75)	0	(3,202)
Assets					
Segment assets	46,606	164,542	9,496	(113,320)	107,324
Liabilities					
Segment liabilities	25,646	125,999	17,102	(82,843)	85,904

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 were no material capital commitments in current financial quarter.

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)**A11. Material events subsequent to the end of financial period reported**

The were no significant events subsequent to the date of the statement of financial position.

A12. Changes in composition of the Group

There is no changes in composition of the Group in the current financial quarter ended 30 September 2024.

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

There was no significant related party transaction for the current financial quarter.

A15. Material Litigation

As at the LPD, save as disclosed below, the Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Board is not aware of any proceedings, pending or threatened against the Group, or of any facts likely to give rise to any proceedings which may materially affect the business or financial position of the Group.

(a) Lembaga Kumpulan Wang Simpanan Pekerja (“**Plaintiff**” or **KWSP**) against:

- (i) Handal iMRO (“**First Defendant**”);
- (ii) Tengku Baderul Zaman Ibni Sultan Mahmud (“**Second Defendant**”);
- (iii) Sunildeep Singh Dhaliwal (“**Third Defendant**”);
- (iv) Tengku Munawir Islahuddin Bin Tengku Noone Aziz (“**Fourth Defendant**”);
- (v) Terry Busing (“**Fifth Defendant**”); and
- (vi) Mallek Rizal Bin Mohsin (“**Sixth Defendant**”).

(Collectively referred to as the “**Defendants**”)

High Court of Terengganu Civil Suit No. TA-22NCVC-6-04/2023

The Plaintiff has, vide the High Court of Terengganu, filed a writ of summons dated 5 April 2023 (“**Writ**”) and a statement of claim dated 5 April 2023 (“**Statement of Claim**”) against the Defendants claiming for:

- (i) the First Defendant, Second Defendant, Third Defendant and Fourth Defendant pay the Plaintiff the arrears of their employees’ employees provident fund (“**EPF**”) contributions for the period from January 2022 to June 2022 and August 2022 to January 2023, amounting to RM2,473,425.00;



HANDAL ENERGY BERHAD

(Company Registration No. 200801015549 (816839-X))

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED

30 SEPTEMBER 2024

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)

A15. Material Litigation (continued)

- (ii) the Fifth Defendant pays the plaintiff the arrears of their employees' EPF contributions for the period from January 2022 to June 2022 and August 2022, amounting to RM1,582,972.00;
- (iii) the Sixth Defendant pays the Plaintiff the arrears of their employees' EPF contributions for the period from January 2022 to June 2022, amounting to RM1,388,105.00;
- (iv) the dividends on the EPF contributions at the rate of 5.35% per annum calculated from 1 February 2022 to 31 December 2022, and subsequent dividends at the rate to be declared by the EPF board for each subsequent year until the date of the full year until the date of full settlement;
- (v) late payment charges on the EPF contributions at the rate of 6.35% per annum calculated from 16 January 2022 to 31 December 2022, and the subsequent late payment charges at the rate to be declared by the EPF board for each subsequent year until the date of full settlement;
- (vi) costs; and
- (vii) any other relief or continuation as deemed appropriate by the High Court of Terengganu.

The High Court of Terengganu has, on 22 May 2023, entered a final judgement against the First Defendant, Second Defendant and Third Defendant for default of appearance to the Writ. As for the Fourth Defendant, Fifth Defendant and Sixth Defendant, a consensus was reached to enter a consent judgement for the sum of RM2,473,425.00 to be paid in 36 instalments beginning on 30 September 2023. According to the Defendants' Solicitors, the maximum exposure to liability for this suit will be RM2,473,425.00 and cost of RM3,500.00 (excluding dividend and late payment charges). As at LPD, a fair order was sealed on 5 September 2023 by the High Court of Terengganu.

- (viii) According to KWSP information, total outstanding balance stand at RM2,404,736.00 as at 31 October 2024.
- (b) Lembaga Kumpulan Wang Simpanan Pekerja ("Plaintiff" or "KWSP") against:
- (i) Handal iMRO ("First Defendant");
 - (ii) Tengku Baderul Zaman Ibni Sultan Mahmud "Second Defendant");
 - (iii) Sunildeep Singh Dhaliwal ("Third Defendant"); and
 - (iv) Tengku Munawir Islahuddin Bin Tengku Noone Aziz ("Fourth Defendant").

(Collectively referred to as the "Defendants")

Sessions Court of Kemaman Civil Suit No. TB-B52NCVC-10-08/2023

The Plaintiff has, vide the Sessions Court of Kemaman, filed a writ of summons dated 27 August 2023 ("Writ") and a statement of claim dated 27 August 2023 ("Statement of Claim") against the Defendants claiming for;



HANDAL ENERGY BERHAD

(Company Registration No. 200801015549 (816839-X))

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED

30 SEPTEMBER 2024

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)

A15. Material Litigation (continued)

- (i) the First Defendant, Second Defendant, Third Defendant and Fourth Defendant, collectively or individually, pay the Plaintiff the arrears of their employees EPF contributions for the period from February 2023 to May 2023, amounting to RM651,056.00;
- (ii) the dividends on the EPF contributions at the rate to be declared by the EPF board for each subsequent year until the date of the full settlement;
- (iii) late payment charges on the EPF contributions at the rate to be declared by the EPF board for each subsequent year until the date of full settlement;
- (iv) costs; and
- (v) any other relief or continuation as deemed appropriate by the Sessions Court of Kemaman.

The Sessions Court of Kemaman has on 2 October 2023 allowed the Defendants and Plaintiff to negotiate the terms of the consent judgement. The Sessions Court of Kemaman then fixed 2 November 2023 as the date for the case management. On 2 November 2023, the Sessions Court of Kemaman gave directions for the Defendants to file the statement of defence and to finalise the negotiation for the consent judgement by 16 November 2023 and the Sessions Court of Kemaman has set 16 November 2023 as the next case management date. The Defendant's Solicitors have on 2 November 2023 sent a draft proposal for the consent judgement to the Plaintiff's Solicitors. According to the Defendants' Solicitors, the maximum exposure to liability for this suit will be RM651,056.00 excluding cost, dividend, and late payment charges.

- (vi) According to KWSP information, total outstanding balance stand at RM632,972.00 as at 31 October 2024.
- (c) Seaoffshore Shared Sdn Bhd ("**Plaintiff**" or "**SSSB**") against Handal Energy Berhad ("**Handal**" or "**the Company**")

The particulars of the claim under the Writ of Summons and Statement of Claim, including the amount claimed for and the interest rate.

As stated in the Writ of Summons and Statement of Claim, the Plaintiff's claims are as follows:

- (i) The sum of RM9,584,586.70 being the outstanding sum as at 30.06.2024;
- (ii) The sum of RM170,368.83 being the outstanding sum pursuant to the invoice issued in July 2024

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)**A15. Material Litigation (continued)**

- (iii) Interest at the rate of 5% per annum on the damages awarded pursuant to prayer (a) and/or (b) above from the date of judgment until full and final realisation;
 - (iv) Costs; and
 - (v) Such further and/or other relief which this Honourable Court deems fit and just to grant.
 - (vi) The matter is ongoing, the Company filed its defence to the action on 29 August 2024.
- (d) Davina Markus ("**Plaintiff**" or "**DM**") against Handal Energy Berhad ("**HEB**" or "**the Company**"), Sunildeep Singh Dhaliwal ("**Sunildeep**" or "**2nd Defendant**") and Handal Borneo Resources Sdn Bhd ("**HBR**" or "**3rd Defendant**")

High Court of Sabah and Sarawak Civill Suit No. BKI-22NCvC-56-4/2024 (HC1)

As stated in the Amended Statement of Defence & Counter Claim, the Plaintiff (By Counterclaim) claims against the 1st, 2nd and 3rd Defendants (By Counterclaim) jointly and severally the following reliefs: -

- (i) The sum of RM132,600,000.00;
- (ii) In the alternative, damages to be assessed by this Honourable Court for the loss/damage (iii) caused to DM the Plaintiff (by Counterclaim);
Statutory Interest at the rate of 5% per annum on the sum adjudged and assessed by the Court from the date of Judgment to the date of full payment and satisfaction;
- (iv) Costs; and
- (v) Such further or other relief as this Honourable Court may deem fit and proper.



HANDAL ENERGY BERHAD

(Company Registration No. 200801015549 (816839-X))

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED

30 SEPTEMBER 2024

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS BY BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

As stated in Note 3, due to change in financial year end, the Group's performance for the 3-month period ended 30 September 2024 is not comparable against any comparative period previously reported.

(a) Current Quarter (Q1 FY2025) vs Preceding Quarter (Q3 FY2024)

The Group recorded a revenue of RM2.399 million in the current financial quarter. Revenue was contributed mainly from overhaul maintenance, parts trading, pipeline maintenance and engineering services maintenance for gas turbine.

	Individual Period		Variance	
	Current Quarter	Preceding Quarter		
	30 Sept 2024	30 Sept 2023		
	RM' 000	RM' 000	RM' 000	%
Revenue	2,399	-	2,399	100
Gross Profit	912	-	912	100
Loss Before Interest and Tax	(3,202)	-	(3,202)	100
Loss Before Tax	(3,202)	-	(3,202)	100
Loss After Tax	(3,202)	-	(3,202)	100



HANDAL ENERGY BERHAD

(Company Registration No. 200801015549 (816839-X))

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED

30 SEPTEMBER 2024

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS BY BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B1. Review of Performance (Continued)

Administrative and operating expenses for the current financial quarter amounted to RM3.855 million.

The Group recorded a loss after tax of RM3.202 million for the current financial quarter.

Review of performance by segments

(i) Integrated Maintenance, Repair and Overhaul.

The recorded revenue for this business segment was RM2.399 million mainly from overhaul crane.

(ii) Investment holding and other businesses.

There is no revenue reported for other business segment in this quarter.

(b) Current Period (Q1 FY2025) vs Preceding Period (Q3 FY2024)

	Cumulative Period		Variance	
	Current Year to Date	Preceding Year period ended		
	30 Sept 2024	30 Sept 2023		
	RM' 000	RM' 000	RM' 000	%
Revenue	2,399	-	2,399	100
Gross Profit	912	-	912	100
Profit Before Interest and Tax	(3,202)	-	(3,202)	100
Loss Before Tax	(3,202)	-	(3,202)	100
Loss After Tax	(3,202)	-	(3,202)	100

The Group recorded a revenue of RM2.399 million in the current financial period ended 30 September 2024. Revenue was contributed mainly from overhaul maintenance, parts trading, pipeline maintenance and engineering services maintenance for gas turbine.

The group recorded a loss after tax of RM3.202 million for the period ended.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS BY BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B2. The Quarterly Results Compared to The Results of The Preceding Quarter

	Individual Quarter		Variance	
	Current Quarter Ended	Immediate Preceding Quarter Ended		
	30 Sept 2024	30 Jun 2024		
	RM' 000	RM' 000	RM' 000	%
Revenue	2,399	2,390	9	0
Gross Profit	912	(608)	1,520	(250)
(Loss)/profit Before Interest and Tax	(3,202)	(31,619)	28,417	(90)
(Loss)/profit Before Tax	(3,202)	(31,739)	28,537	(90)
(Loss)/profit After Tax	(3,202)	(31,739)	28,537	(90)

The Group recorded a loss after tax of RM3.202 million in the current financial quarter as compared to a loss after tax of RM31.739 million registered in the preceding financial quarter. The Group's revenue for the reporting financial quarter was RM2.399 million which did not have major fluctuation compare with preceding financial quarter. The revenue mainly generated from the engineering services maintenance for gas turbine.

B3. Prospects

Income in the first quarter is mainly from topside services provided to Petronas for crane maintenance and repair as well as Tenzin tower crane income.

We are experiencing an increase in the request for tenders recently and we have been actively participating in these tenders. Handal is optimistic of an improved order book in the very near future.

Barring any unforeseen circumstances, Handal is expecting an improved financial performance in 2025.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS BY BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**B4. Profit Forecast and profit guarantee**

Not applicable.

B5. Corporate Proposals

There is no additional corporate exercises have been proposed for the current financial quarter ended 30 September 2024.

B6. Taxation

	Current Period Quarter 1 Jul 2024 to 30 Sept 2024 RM'000	Preceding Year Corresponding Quarter 1 Jul 2023 to 30 Sept 2023 RM'000	Current Period To Date 1 Jul 2024 to 30 Sept 2024 RM'000	Preceding Year Corresponding Period 1 Jul 2023 to 30 Sept 2023 RM'000
Deferred tax	-	-	-	-
Current tax	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Group effective tax rate is lower than the statutory tax rate of 24% due to non-taxable income (gain on disposal of subsidiary) during the financial period and availability of unutilised tax losses of certain subsidiaries.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS BY BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B7. Borrowings and Debt Securities

	As at 30 Sept 2024 RM'000	As at 30 June 2024 RM'000
Short term borrowings- Secured		
Bank overdrafts	4,625	8,371
Trade financing	5,801	918
Term loan	4,233	4,657
Lease Liabilities	1,295	1,098
	<u>15,954</u>	<u>15,044</u>
Long term borrowings- Secured		
Lease Liabilities	-	127
Total Borrowings	<u>15,954</u>	<u>15,171</u>

The fixed deposit of the Group has been pledged as security for Trade Financing and Bank overdraft. All borrowings are denominated in Ringgit Malaysia (RM).

B8. Material Litigation

Please refer to Item A15.

B9. Dividends

Dividends have not been recommended for the current quarter ended 30 September 2024.

B10. Earnings Per Share

	Individual Quarter Current Quarter Ended 30 Sept 2024 RM'000	Cumulative Quarter Current Year to Date 30 Sept 2024 RM'000
Basic Earnings Per Share		
Earning for the period attributable to equity holders of the company	(2,134)	(2,134)
Weighted average of ordinary shares in issued ("000)	410,641	410,641
(Loss)/Earning Per Share (Sen)	<u>(0.52)</u>	<u>(0.52)</u>



HANDAL ENERGY BERHAD

(Company Registration No. 200801015549 (816839-X))

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED
30 SEPTEMBER 2024**

**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS BY BURSA MALAYSIA
SECURITIES BERHAD (CONTINUED)**

B11. Loss before Taxation

	Individual Quarter	Cumulative Quarter
	Current Quarter	Current Period to
	Ended 30 Sept 2024	Date 30 Sept 2024
	RM'000	RM'000
This is arrived at after (crediting)/ charging:		
Depreciation of PPE	311	311