

The ENRA logo is positioned in the upper right quadrant of the cover. It features the word "ENRA" in a bold, sans-serif font. The letters "EN" are yellow, and "RA" is red. A registered trademark symbol (®) is located to the upper right of the "A". The background of the entire cover is a complex, light gray technical illustration. It includes several interlocking gears of different sizes, a network of thin gray lines connecting various colored dots (yellow, red, and gray), and concentric circular bands with dashed or dotted patterns. A large, stylized arrow, composed of a red outline and a yellow-to-orange gradient fill, points from the center towards the right, passing behind the ENRA logo.

**ENRA®**

**ENRA GROUP BERHAD**  
199201005296 (236800-T)

**ANNUAL REPORT**  
**2022**

## OUR VISION

Through shared values, innovation and technology, ENRA will enable its people to create sustainable enterprise value in a manner that is responsible to its stakeholders, community and environment

## OUR SHARED VALUES

### ETHICAL

To make decisions that promote goodness and avoid harm

### NOBLE

To behave in a manner that is respectful to others

### RELIABLE

To keep and deliver promises that have been made

### ACCOUNTABLE

To take ownership of all outcomes and never passing blame



## COVER RATIONALE

“In an environment of continuing challenges, we will keep pushing forward”

**SCAN QR CODE**  
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Annual Report 2022



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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Datuk Ali bin Abdul Kadir**

Chairman, Independent Non-Executive Director

**Tan Sri Dato' Kamaluddin bin Abdullah**

President & Group Chief Executive Officer

**Kok Kong Chin**

Executive Director

**Tan Sri Dato' Seri Shamsul Azhar bin Abbas**

Senior Independent Non-Executive Director

**Dato' Wee Yaw Hin**

Independent Non-Executive Director

**Loh Chen Yook**

Independent Non-Executive Director

**Tunku Afwida binti Tunku Abdul Malek**

Independent Non-Executive Director

*(appointed on 8 March 2022)*

## AUDIT AND RISK MANAGEMENT COMMITTEE

**Chairman**

Tan Sri Dato' Seri Shamsul Azhar bin Abbas

**Members**

Datuk Ali bin Abdul Kadir

Dato' Wee Yaw Hin

Tunku Afwida binti Tunku Abdul Malek

*(appointed on 8 March 2022)*

## BOARD NOMINATION AND REMUNERATION COMMITTEE

**Chairman**

Dato' Wee Yaw Hin

*(redesignated on 8 March 2022)*

**Members**

Tan Sri Dato' Seri Shamsul Azhar bin Abbas

Tunku Afwida binti Tunku Abdul Malek

*(appointed on 8 March 2022)*

## EMPLOYEES' SHARE SCHEME COMMITTEE

**Chairman**

Dato' Wee Yaw Hin

**Members**

Tan Sri Dato' Seri Shamsul Azhar bin Abbas

Tunku Afwida binti Tunku Abdul Malek

*(appointed on 8 March 2022)*

## COMPANY SECRETARY

Chin Soo Ching @ Chen Soo Ching

MAICSA 7042265

## SHARE REGISTRAR

Bina Management (M) Sdn. Bhd.

Lot 10, The Highway Centre

Jalan 51/205, 46050 Petaling Jaya

Selangor Darul Ehsan

Tel : +603-7784 3922

Fax : +603-7784 1988

## REGISTERED OFFICE

D3-U6-15, Block D3

Solaris Dutamas

No. 1, Jalan Dutamas 1

50480 Kuala Lumpur

Tel : +603-2300 3555

Fax : +603-2300 3550

Email : info@enra.my

Website : www.enra.my

## AUDITORS

BDO PLT

LLP0018825-LCA & AF 0206

Level 8

BDO @ Menara CenTARa

360 Jalan Tuanku Abdul

Rahman

50100 Kuala Lumpur

## PRINCIPAL BANKERS

CIMB Bank Berhad

Malayan Banking Berhad

Bank Pembangunan Malaysia

Berhad

## STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia

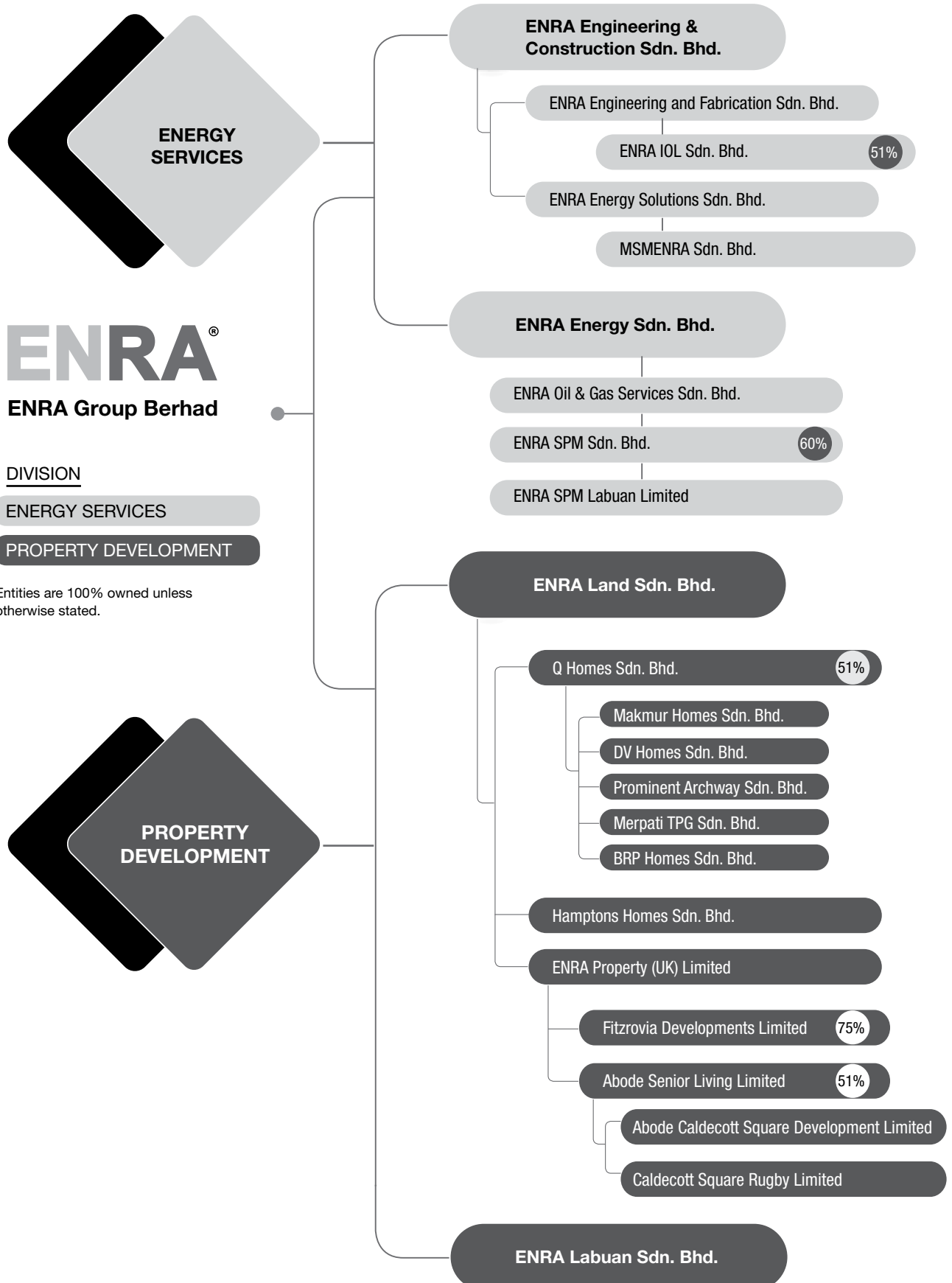
Securities Berhad

Stock Code : 8613

Stock Name : ENRA

# CORPORATE STRUCTURE

As at 16 June 2022



# DEFINITIONS

GENERAL	
<b>Bursa Securities</b>	Bursa Malaysia Securities Berhad
<b>Board</b>	Board of Directors
<b>ENRA or the Group</b>	ENRA Group Berhad and its group of subsidiaries and associate interests
<b>ENRA Group</b>	Specifically, ENRA Group Berhad, the investment holding company of the Group
<b>MCCG 2021</b>	Malaysian Code on Corporate Governance 2021
<b>MMLR</b>	Main Market Listing Requirements
FINANCIAL	
<b>EBITDA</b>	Earnings Before Interest, Taxes, Depreciation and Amortisation
<b>EI</b>	Exceptional Items
<b>FYE</b>	Financial Year Ending/Ended 31 March
<b>LATAMI</b>	Loss After Tax and Minority Interest
<b>LBT</b>	Loss Before Tax
<b>PATAMI</b>	Profit After Tax and Minority Interest
<b>PBT</b>	Profit Before Tax
<b>ROA</b>	Return on Assets
<b>ROE</b>	Return on Equity
ENERGY SERVICES	
<b>EEFAB</b>	ENRA Engineering and Fabrication Sdn. Bhd. (a subsidiary of ENRA Engineering and Construction Sdn. Bhd.)
<b>Energy Services division</b>	ENRA Energy, ENRA Engineering & Construction Sdn. Bhd., and their respective subsidiaries and associate interests
<b>ENRA Energy</b>	ENRA Energy Sdn. Bhd. (a subsidiary of ENRA Group)
<b>ENRA Energy Solutions</b>	ENRA Energy Solutions Sdn. Bhd. (a subsidiary of ENRA Engineering & Construction Sdn. Bhd.)
<b>ENRA IOL</b>	ENRA IOL Sdn. Bhd. (a subsidiary of EEFAB)
<b>ENRA Kimia</b>	ENRA Kimia Sdn. Bhd. (disposed of on 30 November 2021)
<b>ENRA SPM</b>	ENRA SPM Sdn. Bhd. (a subsidiary of ENRA Oil & Gas Services Sdn. Bhd.)
<b>FSO</b>	Floating Storage and Offloading
<b>ICE</b>	International Chemicals Engineering Pty. Ltd. (disposed of on 30 November 2021)
<b>MRO</b>	Maintenance, Repair and Overhaul
<b>PCML</b>	PC Myanmar (Hong Kong) Limited
<b>Ratu ENRA</b>	ENRA SPM's oil/chemical tanker, currently converted into an FSO vessel
<b>SPM</b>	Single Point Mooring
PROPERTY DEVELOPMENT	
<b>ENRA Land</b>	ENRA Land Sdn. Bhd. (a subsidiary of ENRA Group Berhad)
<b>GDV</b>	Gross Development Value
<b>Property Development division</b>	ENRA Land, ENRA Labuan Sdn. Bhd., and their respective subsidiaries and associate interests
<b>Q Homes</b>	Q Homes Sdn. Bhd. (a subsidiary of ENRA Land)
<b>UK</b>	The United Kingdom

# FIVE-YEAR FINANCIAL HIGHLIGHTS

AS AT 31 MARCH 2022

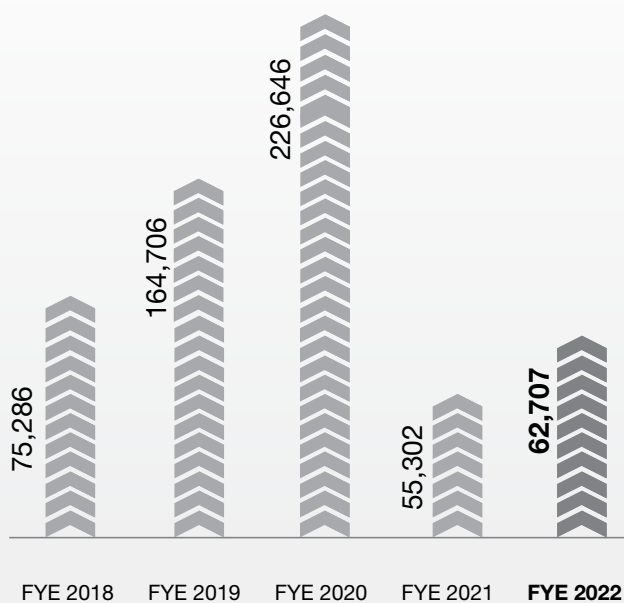
	FYE 2018 Restated	FYE 2019	FYE 2020	FYE 2021 Restated	FYE 2022
<b>Continuing Operations</b>					
- Revenue (RM'000)	75,286	164,706	226,646	55,302	62,707
- Gross profit (RM'000)	21,367	32,569	43,927	16,693	19,853
- PBT/LBT before EI (RM'000)	(5,482)	4,346	8,362	2,003	(4,092)
- Profit/(Loss) After Tax (RM'000)	(3,534)	(26,317)	4,481	(8,053)	5,596
- PATAMI/LATAMI (RM'000)	(2,676)	(24,613)	2,480	(6,360)	7,319
- PATAMI before EI (RM'000)	(6,768)	(1,915)	2,480	3,380	(6,787)
- EPS (sen)	(1.98)	(18.24)	1.84	(4.71)	5.42
- EBITDA (RM'000)*	1,752	12,827	36,475	2,518	15,615
- EBITDA before EI (RM'000)	(2,340)	37,365	36,475	12,259	5,274
Shareholders' equity (RM'000)	151,321	123,075	121,825	114,256	111,307
Number of shares (excluding treasury shares) ('000)	134,919	134,919	134,919	134,919	134,919
Net assets per share (RM)	1.12	0.91	0.90	0.85	0.82
Share price as at year end (RM)	2.66	1.15	1.20	0.62	0.87
Market capitalisation as at year end (RM'000)	358,883	155,156	161,902	83,649	117,379
<b>Exceptional Items (RM'000) (above RM1.0 million)</b>					
Derecognition of contingent consideration for business acquisition	(4,092)	-	-	-	-
Net realisable value write down for inventories	-	9,276	-	-	241
Full impairment of the remaining balance of a trade receivables	-	15,262	-	-	-
Impairment on goodwill on acquisition	-	-	-	8,536	-
Mutual separation scheme	-	-	-	1,205	-
Gain on disposal of Subsidiaries	-	-	-	-	(19,588)
Impairment of Property Plant and Equipment	-	-	-	-	9,006
<b>Total Exceptional Items</b>	<b>(4,092)</b>	<b>24,538</b>	<b>-</b>	<b>9,741</b>	<b>(10,341)</b>
<b>EBITDA working (RM'000)</b>					
PBT/(LBT)	(1,390)	(20,192)	8,362	(7,738)	6,249
(+) Interest expenses (including MFRS 116 and MFRS 16)	760	5,280	3,979	2,799	1,981
(+) Depreciation & amortisation (including MFRS 116 and MFRS 16)	2,382	27,739	24,134	7,457	7,385
<b>EBITDA</b>	<b>1,752</b>	<b>12,827</b>	<b>36,475</b>	<b>2,518</b>	<b>15,615</b>



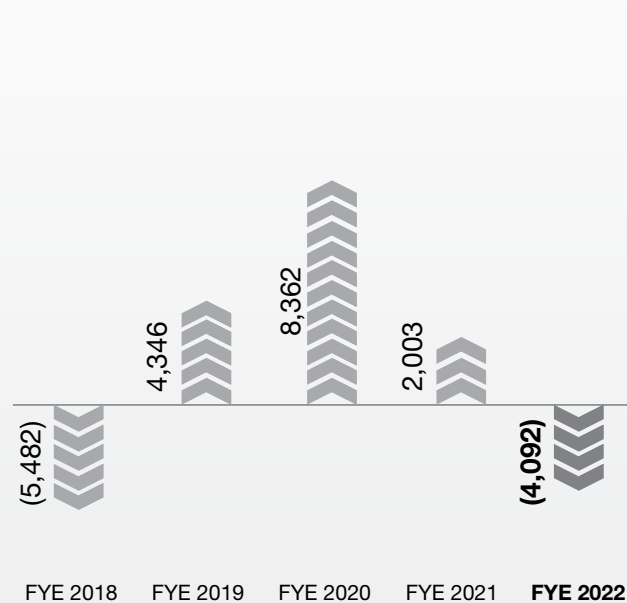
# FIVE-YEAR FINANCIAL HIGHLIGHTS

AS AT 31 MARCH 2022

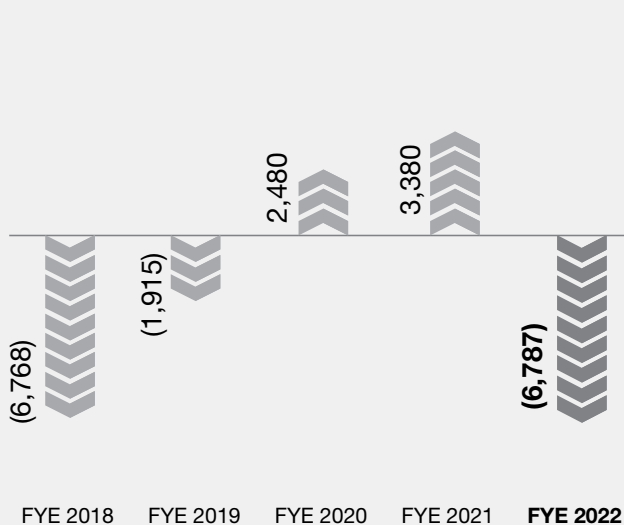
## REVENUE FROM CONTINUING OPERATIONS (RM'000)



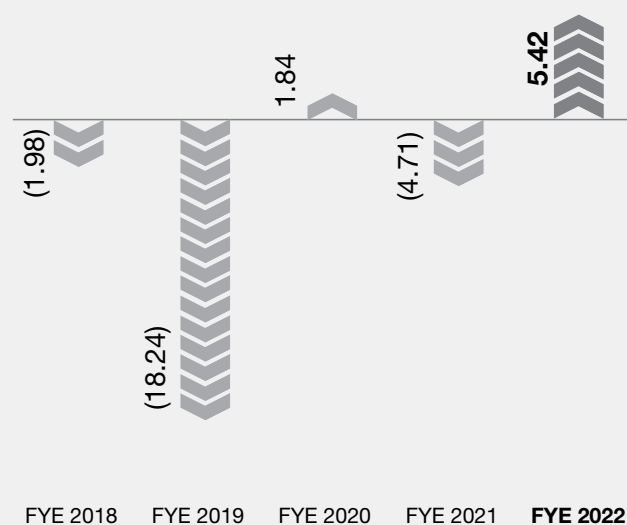
## PBT/LBT BEFORE EI (RM'000)



## PATAMI/LATAMI BEFORE EI (RM'000)



## EPS (SEN)





## CHAIRMAN'S STATEMENT



Dear Shareholders,  
It is my pleasure to present, on behalf of the Board, the Annual Report and Audited Financial Statements of ENRA Group Berhad for the financial year ended 31 March 2022.



In my Chairman's Statement last year, I highlighted the importance of our strategic decision 7 years ago to diversify into areas other than real estate, and shared my belief that ENRA would be able to weather the pandemic. Though ENRA has always been operationally stable and profitable, that decision to diversify has been most rewarding over the last 2 years.

In fact, FYE 2022 was an active year for ENRA:

- After growing ENRA Kimia consistently for 5 years (including an expansion into Australia), we took the opportunity to divest the company and realised a significant return on investment;
- An interim dividend of 7.4 sen per share was declared to reward to our shareholders;
- ENRA SPM completed another year of operations with Ratu ENRA, our maiden FSO vessel, running confidently and safely;
- Q Homes' maiden project in Teluk Panglima Garang, which was completely sold in FYE 2021, has been progressing well and is anticipated to complete on time;
- ENRA Energy Solutions, ENRA's MRO business, successfully completed its primary contract with Hibiscus Petroleum Berhad and has begun providing its services for the Malaysian operations for one of the world's largest international oil companies; and
- ENRA IOL, the energy and lighting solutions business, completed the installation of energy efficient lights for a Malaysian highway.

ENRA ended FYE 2022 with a strong balance sheet and 3 active main business – property development, and two energy-related divisions in Energy Logistics (FSO and SPM services) and MRO.

The ENRA management continues to tread forward cautiously. Though the pandemic is largely over, a series of significant challenges have arisen, in the form of logistical log jams and global inflation driven by pent-up consumer demand after the pandemic, and the Russian special operations in Ukraine. Raw materials, cost of labour, and cost of logistics have all increased significantly, and we will need to be wise and disciplined in managing our expenses and sales strategy, otherwise our profit margins may shrink.

I am immensely appreciative of my fellow Board members and the ENRA team for their dedication and hard work during another difficult year for everyone. Despite the continuing challenging environment, I believe that the management team will be able to forge ahead.

**Datuk Ali bin Abdul Kadir**  
Chairman  
23 June 2022

## BOARD OF DIRECTORS' PROFILE

### Datuk Ali bin Abdul Kadir

Chairman, Independent Non-Executive Director

Nationality	: Malaysian
Age	: 73
Gender	: Male

Datuk Ali was appointed to the Board as Chairman on 1 June 2015. He is also a member of the Audit and Risk Management Committee.

He is a Fellow of the Institute of Chartered Accountants in England and Wales ("ICAEW"), member of the Malaysian Institute of Certified Public Accountants ("MICPA") and the Malaysian Institute of Accountants ("MIA"). He is also an Honorary Fellow of the Institute of Chartered Secretaries & Administrators (UK).

Datuk Ali is currently the Chairman of JcbNext Berhad and a Board member of Glomac Berhad, Ekuiti Nasional Berhad, Citibank Berhad, and other private companies and foundations. He is also the Chairman of Amanah Lestari Alam, Tropical Rainforest Conservation and Research Centre and Persatuan Makanan Ehsan.

Datuk Ali was appointed as Chairman of the Securities Commission of Malaysia on 1 March 1999 and served in that capacity until 29 February 2004. He also served on a number of national-level committees including the Foreign Investment Committee, the Oversight Committee of National Asset Management Company (Danaharta). Prior to his appointment to the Securities Commission, he was the Executive Chairman and Partner of Ernst & Young and its related firms. He was also the former President of the MICPA, chairing both its Executive Committee and Insolvency Practices Committee and co-chairing the Company Law Forum. He was appointed an Adjunct Professor in the Accounting and Business Faculty, University of Malaya (2008 till 2011) and was then appointed to the Advisory Board of the same Faculty. He was the Honorary Advisor to ICAEW-KL City Chapter from 2000 to 2021.

Datuk Ali was awarded the Panglima Jasa Negara (PJN) by the Yang di-Pertuan Agong in 2001. In 2012, he was bestowed the Lifetime Achievement Award by ICAEW and the President's Award by MICPA.

He does not have any family relationship with any director and/or major shareholder of the Company, or any conflict of interests in any business arrangement involving the Company.

He has not been convicted for any offences within the past 5 years nor has been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year under review.

He attended all 9 Board meetings held during the financial year under review.

### Tan Sri Dato' Kamaluddin bin Abdullah

President & Group Chief Executive Officer

Nationality	: Malaysian
Age	: 55
Gender	: Male

Tan Sri Dato' Kamaluddin was appointed to the Board on 20 April 2015 as a Non-Independent Non-Executive Director. He was redesignated as Executive Deputy Chairman of the Company on 1 June 2015 and subsequently as the President & Group Chief Executive Officer of the Company on 1 December 2021. He is also the Chairman of the Executive Committee.

He graduated with a Bachelor of Arts (Hons) in Law from the University of Cambridge, United Kingdom. He is also a Barrister-at-law of the Middle Temple.

He started his career with the Sime Darby Group, a major multi-national company, based in Malaysia. During his 5 years term with the Group, he served in the tyre manufacturing and plantations divisions covering the areas of marketing, corporate affairs, human resources, administration and legal affairs.

After his stint in Sime Darby, he joined Dewina Berhad, a diversified food group listed on Bursa Securities and served as its Group Executive Director. He was also a major shareholder of Dewina Berhad.

He does not have any family relationship with any director and/or substantial shareholder of the Company, or any conflict of interests in any business arrangement involving the Company.

He has not been convicted for any offences within the past 5 years nor has been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year under review.

He attended all 9 Board meetings held during the financial year under review.

# BOARD OF DIRECTORS' PROFILE

## Kok Kong Chin

Executive Director

Nationality	: Malaysian
Age	: 56
Gender	: Male

Mr. Kok was appointed to the Board on 26 February 2016 as a Non-Independent Non-Executive Director. He was redesignated as an Executive Director of the Company on 1 August 2016. He is a member of the Executive Committee.

He graduated from the National University of Malaysia with a BBA (Hons) degree and holds an MBA from Schulich School of Business, York University, Canada. He has also completed the Advanced Leadership Programme by Judge Business School, University of Cambridge.

He has over 30 years of experience in the areas of strategy, general management, private equity, corporate and investment banking. The key positions he has held include Head of Equity Markets and Derivatives, Co-Head of Investment Banking, Head of International Banking & Transaction Services of CIMB Investment Bank Berhad, Head of Regional Banking of CIMB Group Berhad, Independent Non-Executive Director of Ping Petroleum Ltd. and Group Managing Director of Tropicana Corporation Berhad. Currently, he is the Independent Non-Executive Chairman of Pekat Group Berhad.

He does not have any family relationship with any director and/or major shareholder of the Company, or any conflict of interests in any business arrangement involving the Company.

He has not been convicted for any offences within the past 5 years nor has been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year under review.

He attended all 9 Board meetings held during the financial year under review.

## Tan Sri Dato' Seri Shamsul Azhar bin Abbas

Senior Independent Non-Executive Director

Nationality	: Malaysian
Age	: 70
Gender	: Male

Tan Sri Dato' Seri Shamsul Azhar was appointed to the Board on 15 June 2015. He is the Senior Independent Non-Executive Director of the Company. He is also the Chairman of the Audit and Risk Management Committee, a member of the Board Nomination and Remuneration Committee and Employees' Share Scheme Committee.

He holds a Master's of Science in Energy Management from the University of Pennsylvania, United States of America, a Degree in Political Science from Universiti Sains Malaysia as well as a Technical Diploma in Petroleum Economics from Institute Francaise du Petrole in France.

He joined Petroliaam Nasional Berhad ("PETRONAS") in 1975 and served in various capacities during his 40 years tenure with the organisation including his last held position as President and Chief Executive Officer of PETRONAS from 2010 to 2015.

During the tenure of his leadership, he guided PETRONAS in undertaking strategic landmark projects (both for PETRONAS and Malaysia), such as the Pengerang Integrated Refinery and Petrochemical Project (RAPID), the Bintulu Train 9 project, the construction of 2 PETRONAS Floating Liquified Natural Gas ("LNG") facilities and Malaysia's first Regasification terminal in Malacca.

Tan Sri was the President/Chief Executive Officer of MISC Berhad from 1 July 2004 until 31 December 2008 and was its Chairman from February 2010 to 1 August 2011. He also served as Pro-Chancellor of Universiti Teknologi PETRONAS, a member of the Board of Trustees of the Razak School of Government and the Chairman of the National Trust Fund of Malaysia. He was the Chairman of MMC Corporation Berhad and MMC Ports Holdings Sdn. Bhd. from 16 July 2015 to 31 August 2020 and the Chairman of Sapura Energy Berhad from 30 July 2020 to 7 May 2022.

He is currently the Chairman of the Board of Universiti Malaysia Terengganu (UMT) and a Board member of Deleum Berhad.

He does not have any family relationship with any director and/or major shareholder of the Company, or any conflict of interests in any business arrangement involving the Company.

He has not been convicted for any offences within the past 5 years nor has been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year under review.

He attended all 9 Board meetings held during the financial year under review.

# BOARD OF DIRECTORS' PROFILE

## Dato' Wee Yiau Hin

Independent Non-Executive Director

Nationality	: Malaysian
Age	: 63
Gender	: Male

Dato' Wee was appointed to the Board on 24 August 2016. He is also a member of the Audit and Risk Management Committee and was re-designated as the Chairman of the Board Nomination and Remuneration Committee on 8 March 2022. He is also the Chairman of the Employees' Share Scheme Committee.

He has more than 30 years of experience in the Oil & Gas Industry across the Exploration & Production ("E&P") and Gas & Liquefied Natural Gas value chain.

He spent 21 years in Shell in Malaysia and overseas where he took up a number of senior positions in countries including the United Kingdom and South Africa. In Malaysia, he was the Vice President, Upstream Asia and Managing Director of Shell Malaysia E&P Companies from 2006 to 2010. He joined Petroliaam Nasional Berhad as Executive Vice President and Chief Executive Officer of Upstream Business in May 2010. He retired from PETRONAS in April 2016.

Presently, he also sits on the board of Cagamas Berhad, Anton Oilfield Services Group, which is listed on the Hong Kong Stock Exchange. He is an Audit Committee member of Anton Oilfield Services Group.

He does not have any family relationship with any director and/or major shareholder of the Company, or any conflict of interests in any business arrangement involving the Company.

He has not been convicted for any offences within the past 5 years nor has been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year under review.

He attended all 9 Board meetings held during the financial year under review.

## Loh Chen Yook

Independent Non-Executive Director

Nationality	: Malaysian
Age	: 67
Gender	: Male

Mr. Loh was appointed to the Board on 1 June 2015 as a Non-Independent Non-Executive Director. Prior to the change in substantial shareholders of the Company following a mandatory general offer in 2015, Mr. Loh was the Managing Director of the Company, then known as Perduren (M) Bhd., from year 2007 to year 2014. He resigned from the Board on 20 April 2015 and was re-appointed as Non-Executive Director on 1 June 2015 to the new Board of the Company which had assumed the new name, ENRA Group Berhad. With effect from 29 November 2018, Mr. Loh was redesignated as an Independent Non-Executive Director.

Mr. Loh has over 30 years of experience in property development, infrastructure, building construction as well as timber logging business. Currently, he is also the Chairman of Karyon Industries Berhad.

He does not have any family relationship with any director and/or major shareholder of the Company, or any conflict of interests in any business arrangement involving the Company.

He has not been convicted for any offences within the past 5 years nor has been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year under review.

He attended all 9 Board meetings held during the financial year under review.

# BOARD OF DIRECTORS' PROFILE

## **Tunku Afwida binti Tunku Abdul Malek**

Independent Non-Executive Director

<b>Nationality</b>	<b>: Malaysian</b>
<b>Age</b>	<b>: 56</b>
<b>Gender</b>	<b>: Female</b>

Tunku Afwida was appointed to the Board on 8 March 2022. She is also a member of the Audit and Risk Management Committee, Board Nomination and Remuneration Committee and Employees' Share Scheme Committee.

She holds a Bachelor of Science (Honours) degree in Economics and Accountancy from City University London, UK; qualified as a Chartered Accountant from the Institute of Chartered Accountants in England and Wales and is a member of the Malaysian Institute of Accountants.

Tunku Afwida has held senior roles in investment banks. From 2006 until 2008, she was the Chief Executive Officer ("CEO") and Executive Director ("ED") of Kenanga Investment Bank Berhad. Prior to that, from 2003 to 2006, she was CEO and ED of MIMB Investment Bank Berhad (now known as Hong Leong Investment Bank Berhad) and from 1995 to 2003, she was ED/Chief Investment Officer of Commerce Asset Fund Managers Sdn. Bhd. She was also a Director of Asia Equity Research Sdn. Bhd. from 2015 to 2022.

She is currently the Chairman of Affin Hwang Investment Berhad and a Board member of Telekom Malaysia Berhad ("TM"), SAM Engineering & Equipment (M) Berhad and DXN Holdings Berhad.

She is also the Chairman of Webe Digital Sdn. Bhd. and Director of GITN Sdn. Bhd., subsidiaries of TM.

She does not have any family relationship with any director and/or major shareholder of the Company, or any conflict of interests in any business arrangement involving the Company.

She has not been convicted for any offences within the past 5 years nor has been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year under review.

There were no Board meetings held during the time she held office during the financial year under review.

## KEY SENIOR MANAGEMENT'S PROFILE

### Amir Ruqaimi bin Ngah

Chief Financial Officer

**Nationality** : Malaysian

**Age** : 37

**Gender** : Male

#### Qualifications

- Bachelor of Accounting, University of Malaya, Malaysia
- Chartered Global Management Accountant (CIMA)
- Member of MIA

#### Working Experience

- MSM Trading International DMCC (MTID) Dubai, UAE – Head of Finance
- MSM Malaysia Holdings Berhad, Malaysia – Accountant
- Felda Holdings Berhad – Finance Executive

#### Directorship/Relevant Appointments (outside ENRA)

- N/A

### Daniel Lau Lee Hoong

Chief Investment Officer

**Nationality** : Malaysian

**Age** : 39

**Gender** : Male

#### Qualifications

- Masters in Accounting & Business, Aston Business School
- Bachelor's Degree with Honours in Computer Science, University of Warwick

#### Working Experience

- CIMB Investment Bank Berhad
- Maestro Capital Sdn. Bhd., a boutique M&A advisory firm

#### Directorship/Relevant Appointments (outside ENRA)

- N/A

### Dato' Idzham Mohd Hashim

Chief Commercial Officer /  
Chief Executive Officer of  
ENRA Land Sdn. Bhd.

**Nationality** : Malaysian

**Age** : 36

**Gender** : Male

#### Qualifications

- MBA – Bristol Business School (UWE)
- Bachelor of Commerce – The University of Melbourne
- Cambridge "A" Level – Kolej Yayasan UEM

#### Working Experience

- Naza TTDI Group of Companies – Group Executive Director/Chief Operating Officer
- Naza Corporation Sdn. Bhd. – Advisor to the Deputy CEO
- Naza TTDI Group of Companies – Chief Strategy Officer
- Highpoint Education Group Sdn. Bhd. – Deputy President/Director
- Kirkby International College Sdn. Bhd. – Executive Director
- Edaran Pekemas Berhad – Manager, Managing Director's Office
- Permodalan Nasional Berhad – Management Executive

#### Directorship/Relevant Appointments (outside ENRA)

- Panel of experts (ministry of housing and local government)



# MANAGEMENT DISCUSSION AND ANALYSIS

ENRA Group Berhad concludes the financial year ended 31 March 2022 on a profitable note. The divestment of ENRA Kimia generated a substantial return on investment to the Group and the proceeds provide a platform for ENRA to accelerate the growth of its existing businesses and look for new opportunities.

## FINANCIAL SNAPSHOT FOR THE YEAR UNDER REVIEW

	FYE 2021 RM mil	Change %	FYE 2022 RM mil	Remarks
<b>Revenue</b>	<b>55.30</b>	<b>13.4</b>	<b>62.71</b>	
Energy Services	53.63	12.0	60.03	Improved contribution from ENRA IOL
Property Development	1.67	59.7	2.68	Billings of sold units from successful launch of property project
<b>Gross Profit</b>	<b>16.69</b>	<b>19.0</b>	<b>19.86</b>	
Energy Services	16.41	17.9	19.35	Improved operational efficiencies after fully transitioning to our Ratu ENRA vessel
Property Development	0.28	82.1	0.51	In line with ongoing billings of the current project
<b>PATAMI/(LATAMI)</b>	<b>(6.36)</b>	<b>n.m.</b>	<b>7.32</b>	Includes the gain of RM19.6 mil from the divestment of ENRA Kimia, and provisions for impairment of assets
<b>ROE</b>	(5.6%)	n.m.	6.6%	
<b>ROA</b>	(2.6%)	n.m.	3.9%	

\* financial figures exclude contributions from ENRA Kimia

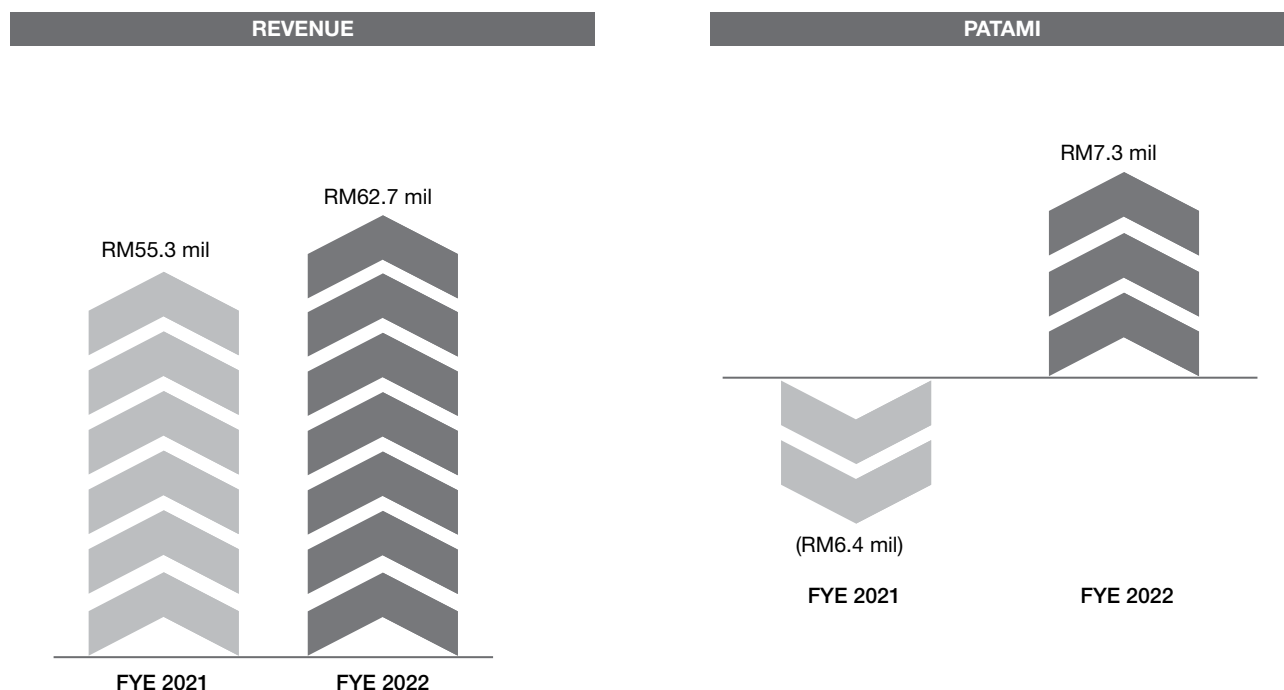
## KEY HIGHLIGHTS FOR THE YEAR

- ENRA Group disposed ENRA Kimia which generated a gain on disposal of RM19.6 mil, and an overall return on investment of RM30.5 mil;
- ENRA IOL's improving track record and expertise allowed it to land a sizeable contract supplying lighting solutions for a major highway in the Klang Valley;
- ENRA SPM nears completion of its maiden FSO and SPM system contract with PCML in Myanmar. As a result, there is an opportunity to redeploy both assets in an environment where energy prices have significantly increased; and
- ENRA Energy Solutions completed its maiden major contract, and is continuing to expand into the energy market by providing MRO services to a major integrated oil company ("IOC") to service its power generation assets.



# MANAGEMENT DISCUSSION AND ANALYSIS

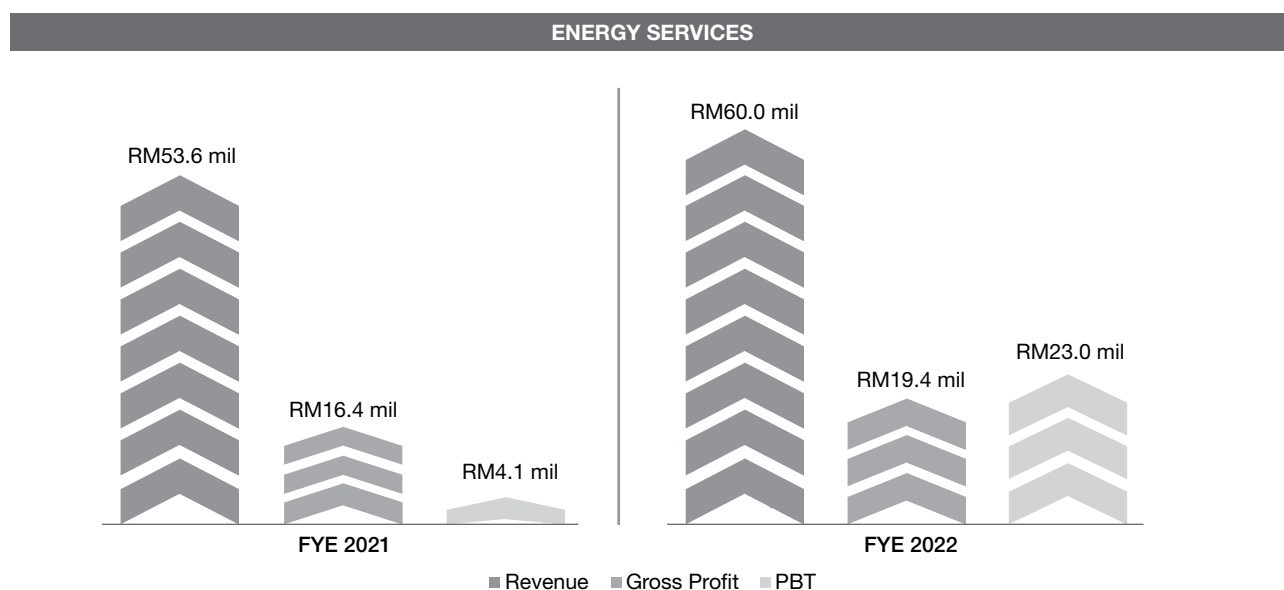
## FINANCIAL PERFORMANCE



ENRA's FYE 2022 total revenue increased by 13.4% (RM7.4 mil) as a result of growth from our Energy Services and Property Development divisions.

Though there was an increase in operating expenditure for the year as well as provisions for the impairment of assets and the demobilisation of ENRA SPM's PCML contract, the Group generated a higher PATAMI primarily as a result of the one-off gain from the divestment of ENRA Kimia.

## Energy Services



# MANAGEMENT DISCUSSION AND ANALYSIS

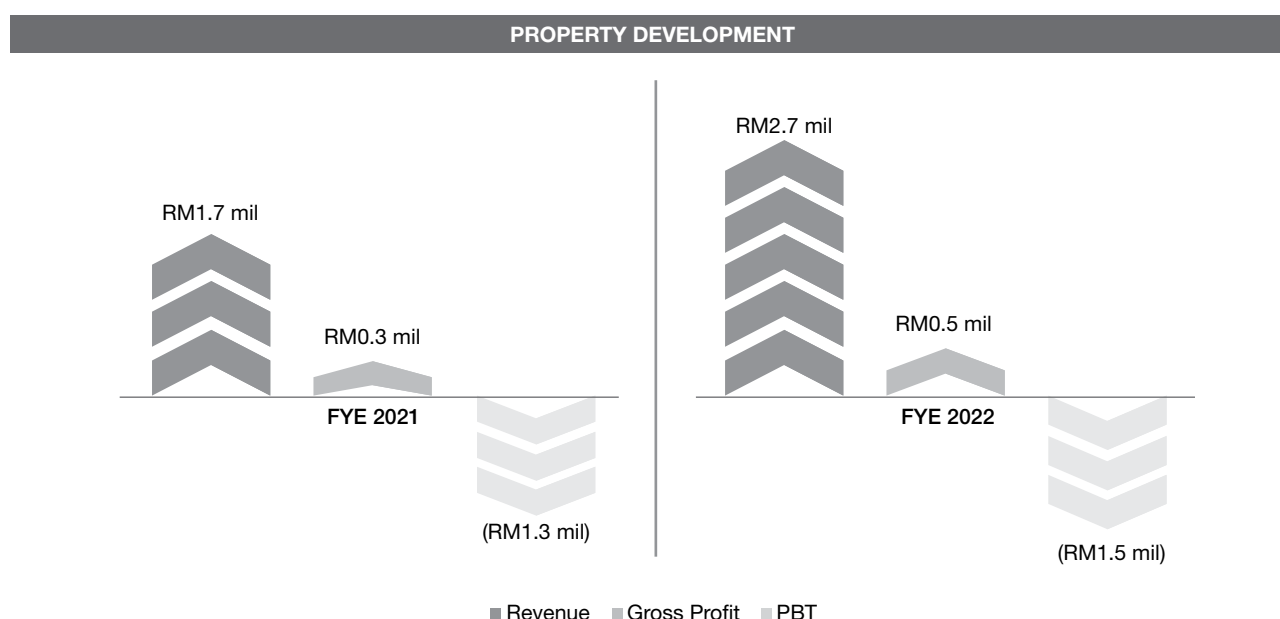
After the disposal of ENRA Kimia, the Energy Services division's main active businesses are now the provision of FSO and SPM services (under ENRA SPM), MRO services for power generation systems (under ENRA Energy Solutions), and smart lighting solutions (under ENRA IOL). The Energy Services division continues to be the main contributor for the Group, generating 95.7% of total revenue and 97.4% of total gross profit for FYE 2022.

ENRA SPM successfully operated its FSO and SPM system contract with PCML for the year, and hence revenue from this business was generally stable. The team has performed admirably - their safety track record has been excellent since the integration of the Ratu ENRA vessel to the Yetagun field in 2020 and there have been no operational issues. There was a demobilisation provision of approximately RM4 mil that had to be incurred during the year as part of the preparation to conclude the contract.

ENRA Energy Solutions completed its maiden major contract during the year, and also initiated a partnership to pursue new businesses in a variety of industries with MTU Services (Malaysia) Sdn. Bhd. This partnership successfully acquired a major IOC as a new client to ENRA Energy Solutions.

ENRA IOL won a key contract to supply the lighting solutions for a major highway in the Klang Valley, which was successfully started and completed in the same year. The increase in revenue for the Energy Services division for FYE 2022 was primarily from this contract.

## Property Development



Revenue for the Property Development division improved as a result of continued billings from Q Homes' first project at Teluk Panglima Garang, Selangor. Although there were some delays as a result of the various movement control orders throughout the year, we are still on track to deliver the product on time to the buyers.

The gross profit increase for the year is in line with revenue from progressive billings of the construction. The decrease in PBT was due to a net realisable value loss on our inventory (i.e., freehold title) in the UK.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL POSITION OVERVIEW

ENRA ends the financial year with a healthy balance sheet:

- Net assets decreased slightly from RM114.3 mil as at 31 March 2021 to RM111.3 mil as at 31 March 2022;
- Gearing decreased from 0.54 times in FYE 2021 to 0.03 times in FYE 2022 from the continual servicing of the loan in relation to ENRA SPM's acquisition of Ratu ENRA in FYE 2020. RM2.5 mil of this loan remains as at the end of FYE 2022; and
- Cash and cash equivalents stand at RM20.3 mil which is sufficient to support existing working capital requirements.

The Group continues to remain prudent in managing our cash according to the needs of our existing businesses while continuing to invest in new products, services and revenue lines to build a stronger income-generating base for the Group.

## FUTURE PROSPECTS

Global growth is expected to slow significantly in 2022 as a result of war-induced commodity price increases, broadening price pressures due to supply chain disruptions, and increasing inflation and interest rates. The recovery of the Malaysian economy is expected to gain momentum this coming year on the back of continuing strong demand for its specific manufactured products, and rising energy and commodity prices. However, inflation has picked up mainly as a result of higher food prices, which will have a follow-on effect to operating costs such as manpower and transportation. In addition, rising raw material prices will result in headwinds for businesses.

### Energy Services

As our PCML contract is nearing completion, we have begun the process of identifying redeployment opportunities for Ratu ENRA and the SPM. We expect more activity in the market as a result of the current climate of increased energy prices. However, we are also cognisant that there will be increases in operational costs such as manpower and fuel. With this in mind, we intend to take an accurate and fair approach to our pricing so that the risk of compressed margins will be mitigated.

In addition to the ongoing MRO services provided to a major IOC, ENRA Energy Solutions continues to actively pursue new MRO opportunities in the oil & gas market and beyond.

ENRA IOL is also actively seeking new opportunities, given that we have demonstrated our capability to deliver a large-scale LED lighting solution with the recent highway contract.

### Property Development

Our previously planned launches in FYE 2022 were delayed due to authority office closures as a result of intermittent movement control orders. However, for this coming financial year, we have five project launches planned with approximately RM93 mil GDV in total. We are confident that these launches will be successful and foresee that these types of developments will contribute to the growth of the Property Development division. Further, we have revisited our market plan for our upcoming developments and remain positive that our pricing and products will be able to accommodate the industry-wide cost increases. Though quality affordable homes are our main market, we are not limiting ourselves to this type of product only and are evaluating other types of developments.

In order to optimise allocation of our resources, we have decided to consolidate our interests and focus our attention on projects in Malaysia. We have begun marketing the sale of our 1.8-acre land parcel in Rugby, UK, which has planning approval for extra-care residences and care homes.

# MANAGEMENT DISCUSSION AND ANALYSIS

## CONCLUSION

ENRA has been resilient throughout the COVID-19 pandemic as a result of our discipline in managing costs, having sufficient buffers in place, and our decision to diversify our revenue streams and not be reliant on just one sector. The Group ends the year with a strong balance sheet and various assets that can be utilised or monetised to potentially generate further profits and cash. We are pleased, therefore, that the Group has been able to bounce back towards profitability for the FYE 2022 period.

Overall, while ENRA and its management foresee challenges in the economic recovery post-pandemic, we are confident that we have instilled the necessary measures to steward the Group through these uncertain times. We will continue to remain vigilant with the projects we embark on while maintaining a healthy balance sheet.

The Group declared a special dividend of 7.4 sen per share to shareholders for FYE 2022.

The Board's consideration to reward shareholders will continue to be guided by the Group's operational needs and investment opportunities.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of ENRA is committed to ensuring that high standards of corporate governance (“CG”) principles and practices are applied throughout the ENRA Group as a fundamental part of discharging its responsibilities to safeguard shareholders’ investments and protect the interests of all stakeholders.

This Corporate Governance Overview Statement is prepared in compliance with the MMLR of Bursa Securities and takes guidance from the key CG principles as set out in the MCCG 2021. This statement is supplemented with the Corporate Governance Report (“CG Report”) which provides the details on how the Company has applied each practice of good governance with the relevant provisions as prescribed in the MCCG 2021 during the financial year ended 31 March 2022. The CG Report is available on the Company’s website at [www.enra.my](http://www.enra.my).

This Corporate Governance Overview Statement should also be read in conjunction with the other statements in the Annual Report, namely, the Statement on Risk Management and Internal Control, the Audit & Risk Management Committee Report and the Sustainability Report as the depth of certain CG practices may be better explained in the context of the respective statements.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### I. Board Responsibilities

The Board has the overall responsibility for the sustainability, governance, strategic leadership and direction, the conduct of the Group’s businesses, risk management and internal controls, investor relations, management succession plan and business operations of the Group.

Beyond the matters reserved for the Board’s decision, the Board has delegated the authority to achieve the corporate objectives and day-to-day management of the business of the Group to the Executive Committee comprising the President & Group Chief Executive Officer and the Executive Director. There is a formalised Limits of Authority which defines the applicable limits specifically reserved for the Board’s approval and those delegated to the Executive Committee, the President & Group Chief Executive Officer, the Executive Directors and Management. These authority limits are reviewed and revised as and when required, to ensure an optimum structure for efficient and effective decision-making in the Group. The Executive Directors remain accountable to the Board for the authority that is delegated to them for the performance of the Group.

The Board places great importance on sustainability and had taken the necessary steps to ensure high standards of environmental, social and governance across the Group’s operations. This includes formalising guidelines, frameworks and processes relating to, amongst others, ENRA’s capital allocation management and investment appraisal practices in managing future risks and opportunities as the Group continues to build a responsible and sustainable business. Further information on ENRA’s sustainability agenda and initiatives for the year under review are disclosed in the Sustainability Report section of this Annual Report.

While the Board is responsible for creating the framework and policies within which the Group should be operating, the Management is accountable for the execution of the expressed policies and attainment of the Company’s corporate objectives. This demarcation complements and reinforces the supervisory role of the Board.

The roles of the Chairman and the President & Group Chief Executive Officer are distinct and separate to engender accountability to facilitate a clear division of responsibilities. The Chairman is responsible for ensuring Board effectiveness and standards of conduct while the President & Group Chief Executive Officer is responsible for the overall management of the Group, including smooth running of the businesses and implementation of strategies and policies.

In carrying out its function, the Board has delegated specific responsibilities to Board Committees, namely, the Audit and Risk Management Committee (“ARMC”) and the Board Nomination and Remuneration Committee (“BNRC”). During the financial year, the Board has set up an Employees’ Share Scheme Committee (“ESSC”) to administer the implementation of the Employees’ Share Scheme of the Company. In order to ensure that the direction and control of the Group remain with the Board, the Board has defined the terms of reference for each Committee and receives reports from the Board Committees of their proceedings and deliberations together with their recommendations and relevant decisions. The Chairman of the respective Board Committees will report to the Board on the outcome of these meetings. These Board Committees were formed in order to enhance business and operational efficiency and efficacy but the Board remains fully responsible for the direction and control of the Company and the Group. The ultimate responsibility for the final decision on all matters lies with the Board. The terms of reference for the ARMC, the BNRC and the ESSC can be found on the Company’s website ([www.enra.my](http://www.enra.my)).

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board has adopted a Board Charter, which sets out its roles, functions, composition, operation and process giving consideration to the principles of good corporate governance and requirements of the MMLR of Bursa Securities.

During the financial year, the Board had revised the Board Charter and reviewed the terms of reference of all Board Committees incorporating the new amendments to MCGG 2021 and MMLR. The Board Charter which serves as a source of reference for all Directors will be reviewed and updated periodically in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

The Board has also adopted a Directors' Code of Ethics, which outlines the conduct required of the Board members individually in order for them to discharge their duties in a professional, honest and ethical manner. A Code of Business Conduct which is applicable to employees within the Group was adopted and it governs the desired standards of behavior and ethical conduct expected from each individual to whom the Code applies.

The Board has also put in place a Whistleblowing Policy, which sets out the principle and grievance procedures for employees to raise genuine concerns of possible improprieties perpetrated within the Group. The Whistleblowing Policy is intended to directly support the Company and the Group's Core Values, Code of Business Conduct and other governance requirements and compliance requirements and to encourage and enable employees, directors, shareholders or any parties with a business relationship with the Company to raise concerns regarding any illegal conduct or malpractice at the earliest opportunity without being subject to victimisation, harassment or discriminatory treatment and to have such concerns properly investigated within the Company and the Group prior to seeking resolution outside the Company. A disclosure of wrongdoing or improper conduct may be made orally or in writing (via such channels as a letter or electronic mail).

Subsequent to the introduction of Corporate Liability Provision for bribery and corruption under Section 17A of the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act"), the Board had in May 2020 adopted ENRA Group's Anti-Corruption Policy & Procedure which sets out the policies and procedures towards compliance with the MACC Act. The Anti-Corruption Policy & Procedure will be reviewed periodically to assess its effectiveness, and in any event, at least once every three years.

The Company has further enhanced its Anti-Corruption Policy & Procedure by developing the Gifts and Hospitality Reporting Guidelines to set out quantitative guidance for the acceptable standard and to maintain the high level of integrity and public trust in the conduct of ENRA Group's businesses associated gifts and hospitality.

The details of the Board Charter, Directors' Code of Ethics, Code of Business Conduct, Whistleblowing Policy Anti-Corruption Policy & Procedure and the Gifts and Hospitality Reporting Guidelines are available on the Company's website ([www.enra.my](http://www.enra.my)).

The Directors have unrestricted access to all information pertaining to the Group's business and affairs to enable them to carry out their duties effectively and diligently. The Board also has unrestricted access to the service of the Company Secretary who is qualified to act under Section 235(2) of the Companies Act 2016. The Company Secretary provides advisory services to the Board in relation to corporate governance matters and compliance with the relevant policies and procedures.

## II. Board Composition

The strength of the Board lies in the composition of its members, who have a wide range of expertise, extensive specialised experience in ENRA's various business areas and diverse backgrounds. As of the date of this Statement, the Board consists of seven members comprising five Independent Non-Executive Directors and two Executive Directors (including the President & Group Chief Executive Officer) which meets the requirement of Practice 5.2 of the MCGG 2021 where at least half of the Board comprises Independent Directors and in line with the requirements of Paragraph 15.02 of the MMLR of Bursa Securities.

The Directors collectively bring with them not only the industry knowledge but also a wide range of experience and expertise in areas such as finance, engineering, strategic planning, economics and project management. There is no individual Director or group of Directors who dominates the Board's decision-making. The Non-Executive Directors contribute significantly in areas such as policy and strategy, performance monitoring, allocation of resources as well as improving governance and controls. The Independent Non-Executive Directors apply objective and independent judgement to the decision-making process of the Board, and provide the check and balance.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

Accordingly, and taking into account the experience, qualifications, capabilities and knowledge of the Company's Independent Non-Executive Directors, the Board is satisfied that the current Board composition fairly reflects the interests of the Company's minority shareholders and is adequate to ensure that the highest standards of corporate governance, ethical conduct and integrity are maintained by the Company for the benefit of all stakeholders.

Nonetheless, the Board takes cognisance of the recommendation to have gender diversity on the Board. The Board through the BNRC is taking steps to ensure that women candidates are sought as part of its recruitment exercise when vacancies on the Board arise. During the financial year, following the resignation of Dato' Mazlin bin Md Junid, the President & Group Chief Executive Officer of the Company on 30 November 2021, Tan Sri Dato' Kamaluddin bin Abdullah has been re-designated to assume the role of President & Group Chief Executive Officer on 1 December 2021. In line with gender diversity requirement by Bursa Securities, on 8 March 2022, Tunku Afwida binti Tunku Abdul Malek ("Tunku Afwida"), was appointed as an Independent Non-Executive Director subsequent to the resignation of Datuk Anuar bin Ahmad. The BNRC had reviewed and assessed the qualification, industry experience, integrity, competencies and time commitment of Tunku Afwida as well as confirmation of independence by Tunku Afwida, having been satisfied with all the credentials, the BNRC recommended her appointment to the Board for approval.

The BNRC analysed and discussed the evaluation report on the effectiveness of the Board and Board Committees on an annual basis. The BNRC reviews the comments and areas of improvement highlighted in the evaluation reports.

Save and except for Tunku Afwida who was appointed to the Board on 8 March 2022, all the Directors had participated in the Board and Board Committees assessment and evaluation process for the financial year 2022.

The size and composition of the Board and its Board Committees will be reviewed annually to determine if the Board and the Board Committees have the right size and sufficient diversity that fit the Company's objectives and strategic goals.

### III. Remuneration

The BNRC is responsible for recommending to the Board the appropriate remuneration of the Directors to ensure that the Group attracts and retains Directors of the necessary caliber, experience, knowledge and quality needed to manage the Group successfully. The BNRC considers the principles recommended by the MCCG 2021 in determining the Executive Directors' remuneration, whereby the Executive Directors' remuneration is designed to link rewards to the Group's performance.

The remuneration of the Non-Executive Directors is determined in accordance with their experience and the level of responsibilities assumed. The determination of the remuneration of the Non-Executive Directors is a matter for the Board to consider and individual Directors do not participate in decisions regarding their own remuneration package, and are subject to the prior approval of shareholders at the Annual General Meeting ("AGM") of the Company. The Company reimburses reasonable expenses incurred by the Non-Executive Directors in the course of their duties as Directors. On 24 February 2022, the Board has formalised a Remuneration Policy for Directors and Senior Management which outlines the principles for the BNRC to determine and propose an appropriate level of remuneration for the Directors and Senior Management. The policy is available on the Company's website at [www.enra.my](http://www.enra.my).

Details of the remuneration of the Directors of the Company for the financial year ended 31 March 2022 are provided in Practice 8.1 of the CG Report.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

### I. Audit and Risk Management Committee

The Board has established an ARMC to provide robust and comprehensive oversight on the financial reporting matters as well as the external and internal audit processes. The ARMC comprises four members, all of whom are Independent Non-Executive Directors. The Company also complies with Practice 9.1 of the MCCG 2021 that the Chairman of the ARMC is not the Chairman of the Board. In line with the requirements of Paragraph 15.09 (1)(c) of the MMLR of Bursa Securities, two of the members of ARMC are member of the Malaysian Institute of Accountants.

The Board upholds the integrity of financial reporting by the Company. As such, it has established procedures, via the ARMC, in assessing the suitability and independence of the external auditors. Such procedures entail the provision of written assurance by the external auditors, confirming that they are, and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out by the Malaysian Institute of Accountants. The ARMC has met with the external auditors without the presence of the Executive Directors and Management twice during the financial year ended 31 March 2022.

The ARMC is satisfied in its review that the provision of non-audit services by Messrs. BDO PLT to the Group for the financial year ended 31 March 2022 did not in any way impair their objectivity and independence as external auditors of the Company.

On an annual basis, the ARMC reviews and monitor the suitability and independence of the external auditors. The ARMC is satisfied with the competence and independence of the external auditors and had recommended the re-appointment of Messrs. BDO PLT as external auditors for shareholders' approval at the 30<sup>th</sup> Annual General Meeting.

### II. Risk Management and Internal Control Framework

The Board is ultimately responsible for the establishment of a sound framework to manage risks. The President & Group Chief Executive Officer oversees these risk management processes and activities and reports to the Board. The Management assists the Board in the implementation of the Board's policies and procedures on risk management and internal control.

The Board acknowledges its responsibility for the Group's systems of internal control and risk management and for reviewing the effectiveness of those systems. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives. Any system can only provide reasonable but not absolute assurance against material misstatement, loss or fraud.

The Statement on Risk Management and Internal Control as set out on pages 63 to 69 in this Annual Report provides an overview of the management of risks and the state of internal controls within the Group.

The Company has in its employment, an internal auditor ("Internal Auditor") who reports directly to the Chairman of the ARMC. The internal audit function reviews the controls and processes of the organisation in accordance with the approved audit plan which adopts a risk-based approach toward planning and audit execution. The scope of work covered by the internal audit function during the financial year is set out on page 62 of this Annual Report.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

### I. Communication with Stakeholders

The Board recognises the importance of effective and timely communication with shareholders and the investors to ensure they make informed decisions. The Company keeps shareholders abreast of the financial performance and the future developments of the Group by way of the annual report, announcements of quarterly financial results and significant transactions made through Bursa Securities as well as press releases. The Company, through its internal Investor Relations representatives and the active participation of its management team, maintains regular two-way communication with the investment community, media and its financiers to keep them updated with the latest developments.

ENRA's website is regularly updated to provide information relevant to shareholders and other stakeholders. The website also has an email alerts service where shareholders and anyone who is interested may register to receive the latest news and announcements on the Group.

The Group adopted an Investor Relations/Stakeholder Communication Policy to provide accurate and timely disclosure of corporate and other related information to enable informed and orderly decision-making by our stakeholders. The Investor Relations/Stakeholder Communication Policy is available on the Company's website ([www.enra.my](http://www.enra.my)).

### II. Conduct of General Meetings

The AGM of the Company serves as the primary platform for two-way dialogue with shareholders.

The Company had on 22 October 2022, conducted its 29<sup>th</sup> AGM and Extraordinary General Meeting ("EGM") fully virtual through live streaming and online remote voting using the Remote Participation and Voting ("RPV") facility. The RPV allowing attendance of shareholders and proxies via remote participation and voting in absentia and have real-time interaction with Board and Senior Management. Questions to the Board were allowed to be submitted in advance and through the real time submission of typed texts during the proceedings of the meetings. Further, in line with Practice 13.1 of the MCGG 2021, the notice convening the 29<sup>th</sup> AGM dated 22 September 2021 was issued more than 28 days prior to the AGM.

All resolutions tabled at the 29<sup>th</sup> AGM and EGM were carried out by way of poll through electronic voting and the results were announced to Bursa Securities on the same day.

The minutes of the 29<sup>th</sup> AGM and EGM detailing the meeting proceedings including issues or concerns raised by shareholders and responses by the Company are accessible at the Company's website ([www.enra.my](http://www.enra.my)).

## KEY FOCUS AREAS AND FUTURE PROSPECTS

The Board is committed to cultivating a responsible organisation and will regularly review and refine the Group's CG practices to maintain a sensible and solid framework for effective governance in the interest of the shareholders and stakeholders.

This CG Overview Statement was approved by the Board of Directors of ENRA on 23 June 2022.

# SUSTAINABILITY REPORT

Sustainability reporting is the disclosure and communication of Economic, Environmental and Social (“EES”) goals of a company and how the company addresses these goals. It is a reporting best practice driven by Global Reporting Initiative (“GRI”), an international independent standard organisation that helps businesses, governments and other organisations understand and communicate their impact on issues such as climate change, human rights and corruption. The standards set by GRI have now been accepted by companies worldwide. This is part of the worldwide shift from full disclosure reporting to integrated reporting (i.e., to go beyond the emphasis on financial reporting).

In Malaysia, the two regulatory bodies that oversees Sustainability reporting are Bursa Securities and the Securities Commission (“SC”). Both regulators have placed an urgent requirement for listed companies like ENRA to disclose material matters that relates to their EES goals in their annual reports. Bursa Securities has made this reporting mandatory since 2016.

The focus in sustainability report of listed companies will soon shift from EES to Environmental, Social and Governance (“ESG”) as required by SC through its MCCG 2021 which was released on 28 April 2021. This was issued with the purpose of strengthening the oversight of sustainability, of which the risks and opportunities requires collective actions by the Board and Senior Management. The five new practices stipulated by MCCG 2021 are:

1. The Board, together with Management takes responsibility for the governance of sustainability in the Group, including setting the Group’s sustainability strategy, priorities and targets.
2. Strategic management of material sustainability matters (“MSMs”) by Senior Management.
3. The Board ensures the Group’s sustainability strategies, priorities, targets and performance are communicated to its internal and external stakeholders.
4. Performance evaluations of the Board and the Senior Management include reviews of their performance in addressing the Group’s material sustainability risks and opportunities.
5. The Board identifies a designated person within Management to provide dedicated focus to manage sustainability strategically.

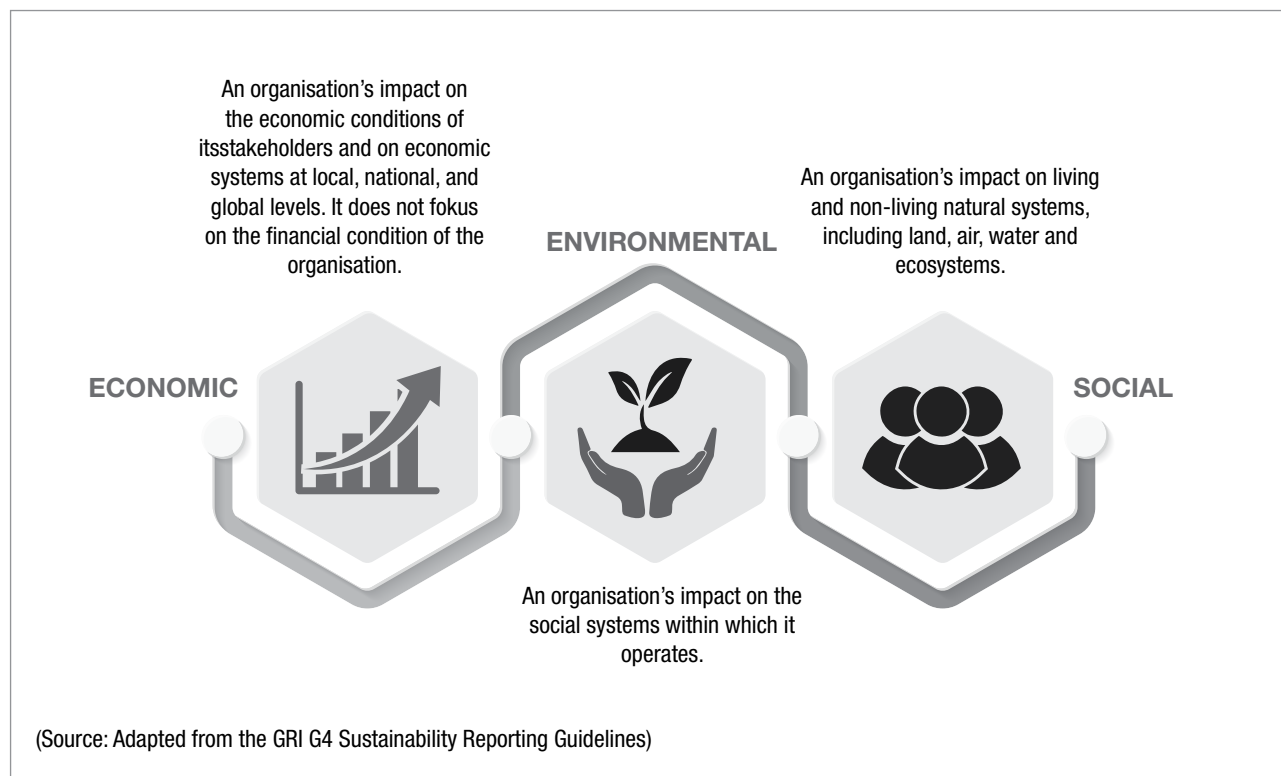
These new practices were emphasised during a training held for the ENRA Board members on 18 May 2021 to ensure that they are fully aware of the requirements.

As this requirement by SC would only take effect in the next financial year, this report for the year under review will still adhere to EES as the pillars of Sustainability.

Sustainability reporting, alongside the long-existing financial reporting is now the reporting practice of all listed companies

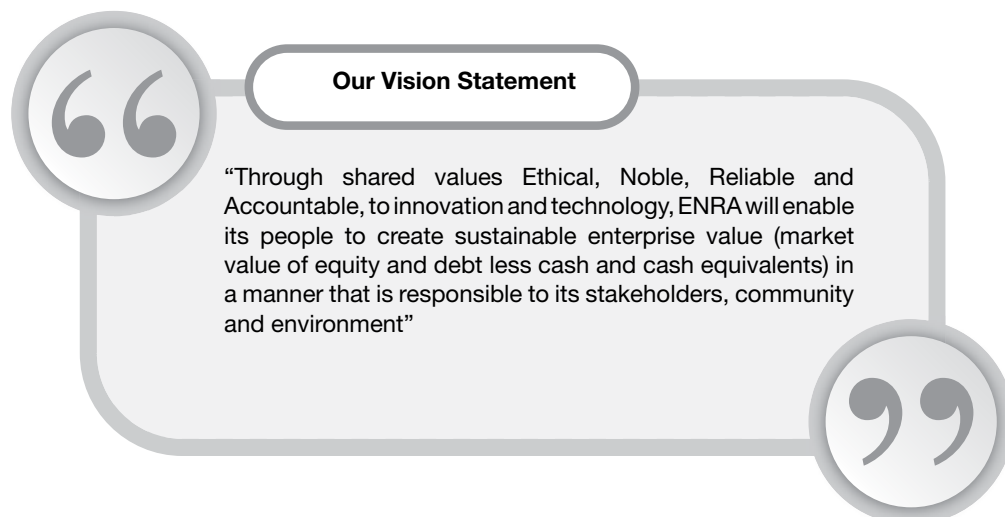
# SUSTAINABILITY REPORT

in Malaysia; providing better disclosure to their stakeholders. It also serves as a sound mechanism to support business continuity and competitiveness. The terms Economic, Environmental and Social are explained in ILLUSTRATION 1 below:

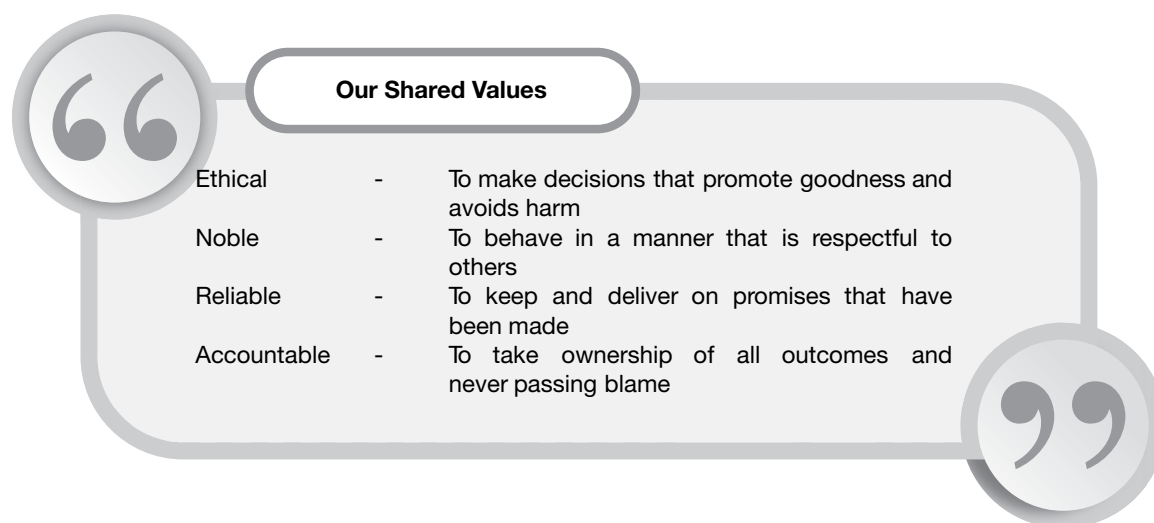


## SUSTAINABILITY AT ENRA

At ENRA, Sustainability is embedded in our Vision and is entrenched as an important aspect in conducting our business from thought to finish.



# SUSTAINABILITY REPORT



Consistent with the underlying intention and regulations on Sustainability, ENRA is committed to achieve continuous business growth and long-lasting positive impact that will benefit the economy, environment and society as a whole. ENRA is fully aware that it must act responsibly to be a going concern entity driven by strong and positive motives of Profit, People and Planet (“3Ps”).

## A. Our Period, Area and Segment Coverage

This Sustainability Report (“Report”) covers our reporting period from 1 April 2021 to 31 March 2022, for our operations in Malaysia, Myanmar, and the United Kingdom under our Energy Services and Property Development divisions based on their revenue and asset contributions to the Group, and the impact the Group has with respect to EES.

ENRA Kimia and its Australian-based subsidiary ICE, which were included in previous Reports are not considered for this Report as it ceased to be a subsidiary following a corporate exercise that took place during the year under review.

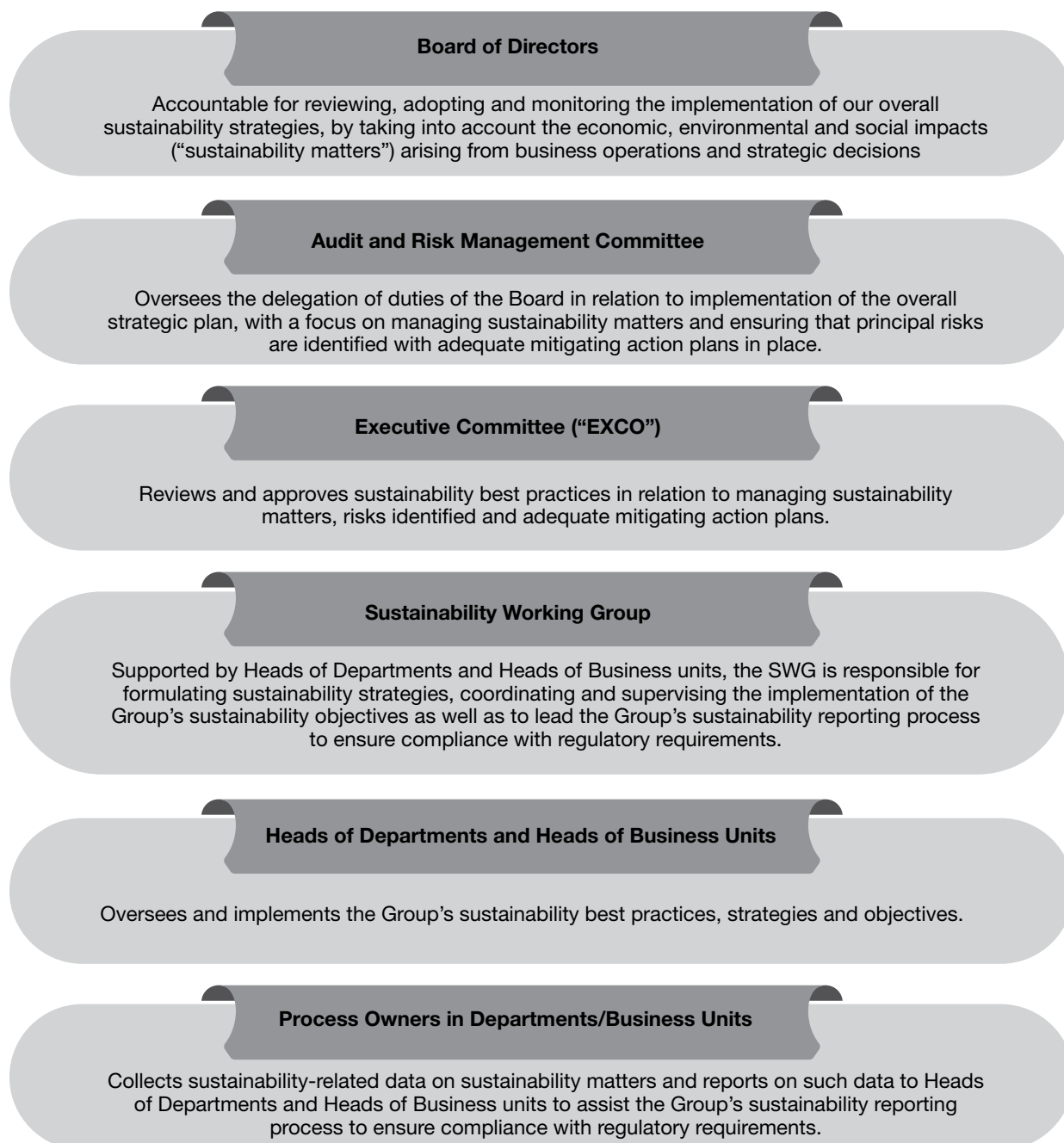
## B. Our Sustainability Governance Structure

Considering the Group’s culture, needs, business divisions, size, sustainability-related risks and opportunities, and maturity in responding to sustainability matters, our Board had in November 2017 approved our sustainability governance structure and the establishment of a Sustainability Working Group (“SWG”) to coordinate and supervise

# SUSTAINABILITY REPORT

the implementation of our sustainability strategies and practices. ENRA's Sustainability Governance structure is as per ILLUSTRATION 2 below:

**ILLUSTRATION 2**



# SUSTAINABILITY REPORT

The SWG as per TABLE 1 below, was led by our Chief Financial Officer and supported by the Group's Heads of Departments and the respective Chief Executive Officers of our subsidiaries. However, in February 2022, as a result of a management restructuring this responsibility was handed over to the Group Head of Compliance and Governance.

<b>TABLE 1</b>	
<b>SUSTAINABILITY WORKING GROUP</b>	
<b>MEMBERS</b>	<b>RESPONSIBILITIES OF SWG</b>
<b>i. Head of EES</b>  <b>ii. Chief Executive Officers (Subsidiaries)</b>  <b>iii. Chief Executive Officers (Jointly Controlled Companies)</b>  <b>iv. Heads of Departments</b>	i. identifying key stakeholders;  ii. engaging with identified stakeholders in order to identify and prioritise material sustainability matters for the reporting period;  iii. identifying sustainability risks and opportunities relevant and material to our Group's businesses;  iv. identifying and formulating sustainability strategies including creating awareness on the importance of sustainability practices in the short-term and induce a cultural shift towards sustainable thinking in value creation for the long-term;  v. overseeing the management of such MSMs including coordinating the implementation of agreed sustainability strategies;  vi. identifying relevant sustainability indicators associated with MSMs for continuous monitoring and disclosure in our Report; and  vii. providing status updates to our EXCO on the management of sustainability-related matters and subsequently recommend the disclosures required for approval.

In addition to the above, the Chief Executive Officers and Heads of Departments oversee and implement the Group's sustainability best practices, programs, strategies and objectives to continuously improve the Group's reputation as an economically, environmentally and socially responsible corporation. The process owners in the departments and subsidiaries are responsible for the execution of the Group's sustainability best practices, programs, strategies and objectives and collect sustainability-related data for the SWG to assist the Group's sustainability reporting process to ensure compliance with regulatory requirements.

## C. Our Reporting Methodology

Our Report is prepared pursuant to and in accordance with the requirements of;

1. Bursa Securities' MMLR relating to Sustainability Reporting in Annual Reports;
2. Bursa Securities' Sustainability Reporting Guide; and
3. Sustainability Toolkits



# SUSTAINABILITY REPORT

During our first two years of preparing our Sustainability Reports for FY 2018/19 and FY 2019/20, we had made the necessary engagements with both our internal and external stakeholders to identify and prioritise our MSMs. Subsequently, in the process of preparing the Report for FY 2020/21, the SWG had proposed and was accepted by the Board, that the identified MSMs would be monitored until FY 2021/22.

Thus, for FY 2022/23 and subsequent years, an exercise would be needed to identify and prioritise new sets of MSMs. This would involve identifying a broad range of potential MSMs, and subsequently through the engagement with the various stakeholders, to chart these MSMs on a materiality matrix. Only the material ones would be monitored over a period of every four years as proposed in FY 2020/21. This exercise to identify the new set of MSMs coincides with the regulators' requirement for Sustainability to focus on ESG instead of the current focus on EES.

## **D. Our Engagement with Stakeholders**

During the preparation of our first two Reports, our SWG had assessed, identified and prioritised our stakeholders based on our dependence on them and their influence on our Group's businesses. The SWG had identified the following key stakeholders in this current phase of our Group's growth and development:

1. Internal stakeholders
  - i. Our employees of all levels (including Senior Management and EXCO members);
  - ii. Our Board members;
  - iii. Our controlling shareholders;
  - iv. Our substantial institutional shareholders; and
  - v. Our investing partners (non-controlling interests).
2. External stakeholders
  - i. Major lenders;
  - ii. Major principals/suppliers; and
  - iii. Major customers.

Surveys and robust interaction with our key stakeholders provided them with a platform to freely and openly voice their views, opinions and concerns on sustainability issues.

## **E. Our Material Sustainability Matters**

During FY 2018/19, through engagements with our stakeholders, we identified a broad range of potential MSMs and these were subsequently refined by employing statistical methodology in subsequent engagements with our stakeholders. These same processes and methodology were employed until FY 2020/21. During FY 2019/20 and FY 2020/21, our SWG realised that there was a strong need for the data collected to be stabilised over a suitable period to increase our understanding. With this in mind, our SWG reviewed our MSMs over the time and made refinements which were subsequently approved by the Board.

The Board agreed that for FY 2020/21 and FY 2021/22, the following six MSMs as per TABLE 2 would be monitored:

# SUSTAINABILITY REPORT

**TABLE 2**

Rank	Renamed MSM in FY 2020/21 and FY 2021/22	Theme	MSM titles as previously reported (period)
1	Ethics, governance and compliance	Economic	No change since first reported in FY 2018/19
2	Business development and expansion	Economic	<ul style="list-style-type: none"> <li>Business development and expansion (FY 2018/19)</li> <li>Tender management (FY 2019/20)</li> <li>Integration (FY 2019/20)</li> </ul>
3	Innovation and technology enablers	Economic	Cyber security and IT infrastructure (FY 2018/19)
4	Project and job execution	Economic	<ul style="list-style-type: none"> <li>Workplace efficiency (FY 2019/20)</li> <li>Project management (FY 2018/19)</li> </ul>
5	Proactive and happy workforce	Social	<ul style="list-style-type: none"> <li>Staff engagement (FY 2019/20)</li> <li>Employee health, safety and wellbeing (FY 2018/19)</li> <li>Employment practices (FY 2018/19)</li> <li>Human capital development (FY 2018/19)</li> </ul>
6	Energy, resources and waste management	Environmental	Waste management (FY 2018/19)

As mentioned previously, these MSMs would be reviewed in FY 2022/23 for the preparation of the Report for the next four years beginning FY 2022/23.

## F. Managing our MSMs - How we have fared

### 1. Ethics, governance and compliance (Economic)

There is enough evidence that a strong and successful business (i.e., a sustainable business), is one that is conducted in a meritocratic, transparent, legitimate and accessible manner without compromising other corporate responsibilities to ensure its continued success and longevity.

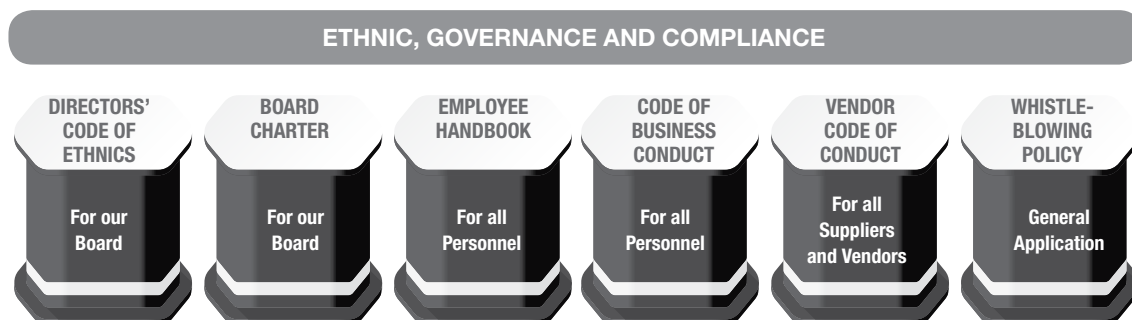
Issues of ethics, governance and compliance regularly arise in business transactions and we are firmly committed to conduct our businesses with the highest level of integrity and in full compliance with applicable laws, rules and regulations.

Our Corporate Governance Overview Statement, Statement of Risk Management and Internal Control and Audit and Risk Management Committee Report contained in this Annual Report, as well as the Corporate Governance Report provide a fuller picture of the control environment and governance structure and culture within the Group.

We have various instruments, tools and enablers in place at our disposal to ensure that the Group and its stakeholders comply with the various laws, regulations and practices applicable to our businesses. The following guidance in ILLUSTRATION 3 was implemented to ensure that we meet this objective:

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ILLUSTRATION 3



As part of our sustainability practices, we ensure parties that we engage with, including existing and potential employees, customers, vendors, suppliers, business partners and financiers, comply with our standards of having ethical practices and codes of conduct throughout our business relationship. We perform periodical reviews of their performance to ensure continuous compliance.

We also carry out an annual compliance review of our vendors to ensure that fair competition is upheld at all times when dealing with third parties and that we conduct our businesses ethically in line with our corporate values of being Ethical, Noble, Reliable and Accountable.

Likewise, we also welcome similar reviews, due diligence, and performance audits by all parties that we engage with. Internally, our various internal policies and procedures ensure that everyone within the Group complies with both regulatory, principals' and customers' requirements with a view to eliminate or reduce exposure to risks faced in our businesses.

## a. Compliance Programmes

The Group organises various training sessions and disseminates regular digital legal alerts, QHSE Share Points, GHCA internal memos, Group Commercial's training and Group Cost Optimisation & Procurement's compliance checks. This is on top of the Group Internal Audit's annual programs.

Annual compliance reviews are conducted on all of our key departments and subsidiaries to ensure practices and performance of their respective functions and the Group's operations are in compliance with all existing Group policies and procedures that will help to determine areas for improvement.

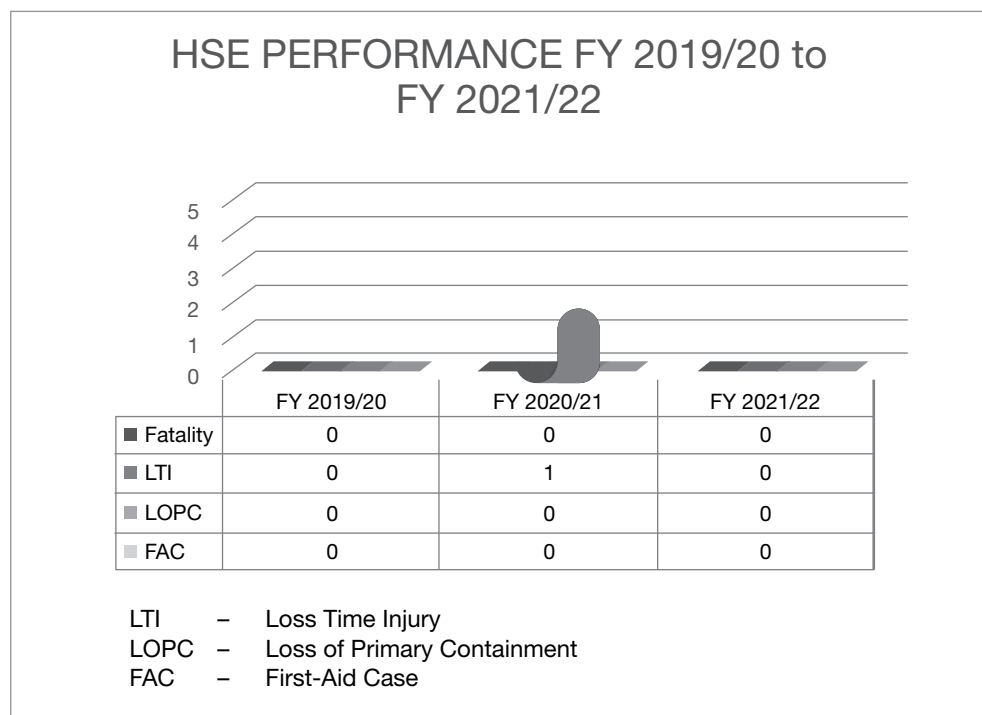
## i. QHSE compliance activities

For FY 2021/22, almost all of our QHSE activities were targeted towards our operations onboard of our MT Ratu ENRA vessel which operates in Myanmar. These activities cover, among others, the following:

# SUSTAINABILITY REPORT

- Monitoring HSE performance

ILLUSTRATION 4

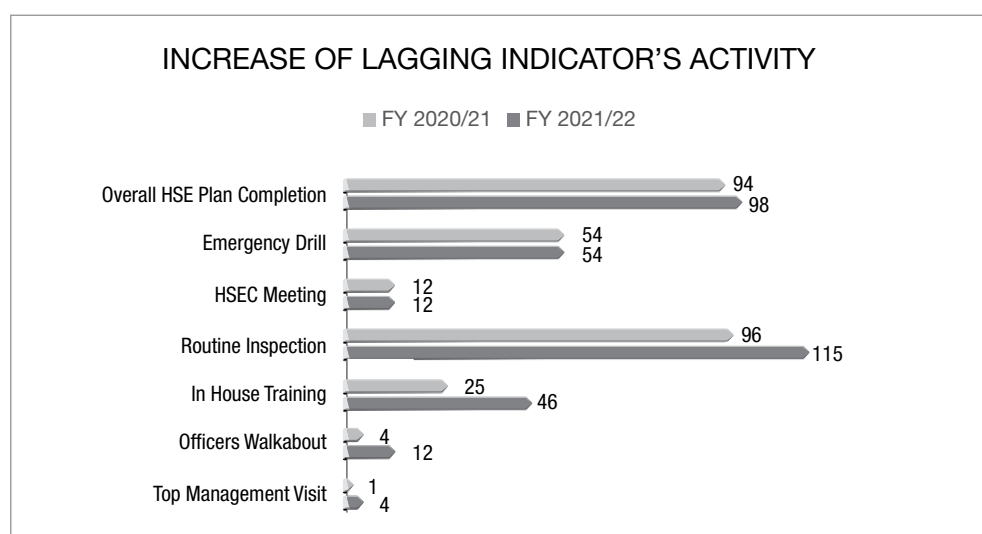


We are pleased to report that for the year under review, there has been no HSE incident onboard MT Ratu ENRA as shown in ILLUSTRATION 4 above.

To achieve the above results, a number of QHSE Intervention Strategies were implemented to prevent untoward incidents:

- Enhancement of HSE Plan for Operation via Lagging Indicator

ILLUSTRATION 5



From ILLUSTRATION 5 above, we can see marked increased in the following:

- Routine inspection;
- Inhouse training;
- Officers' walkabout; and
- Top management visit

# SUSTAINABILITY REPORT

Emergency drill on board MT  
Ratu ENRA



Emergency drill on board MT  
Ratu ENRA



The frequency of activity for lagging indicators has been increased to give more awareness besides enhancing hazard identification from different angles.

- ENRA Heart and Mind Program

The ENRA's Heart and Mind ("H&M") Program is a behavioural based safety ("BBS") program. This has been introduced and implemented as one of the key HSE improvement agents to introduce the HSE culture among the crew on board MT Ratu ENRA. BBS brings together parts of behavioural science with industrial safety to create a 'new' process to promote safety as an organisational value.

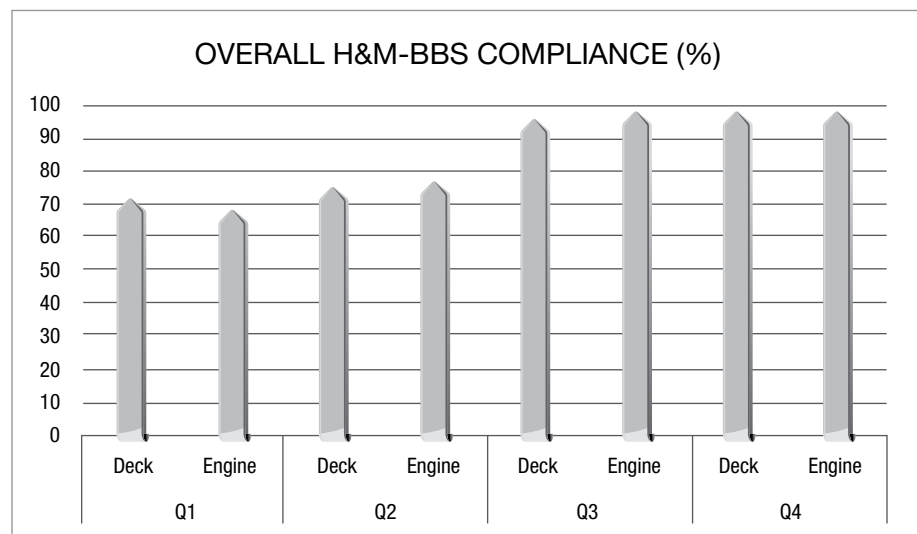


# SUSTAINABILITY REPORT

The activity which started on April 2021 has been closely monitored to ensure the program meets its objective. Thus far, significant changes in behaviour have been observed among the crew while conducting their work across the organisation; not just among officers and engineers but also the bosun and galley crew.

From ILLUSTRATION 6 below, we can see that the ENRA H&M BBS showed marked improvement from the third quarter of FY 2021/22 for both deck and engine teams.

ILLUSTRATION 6



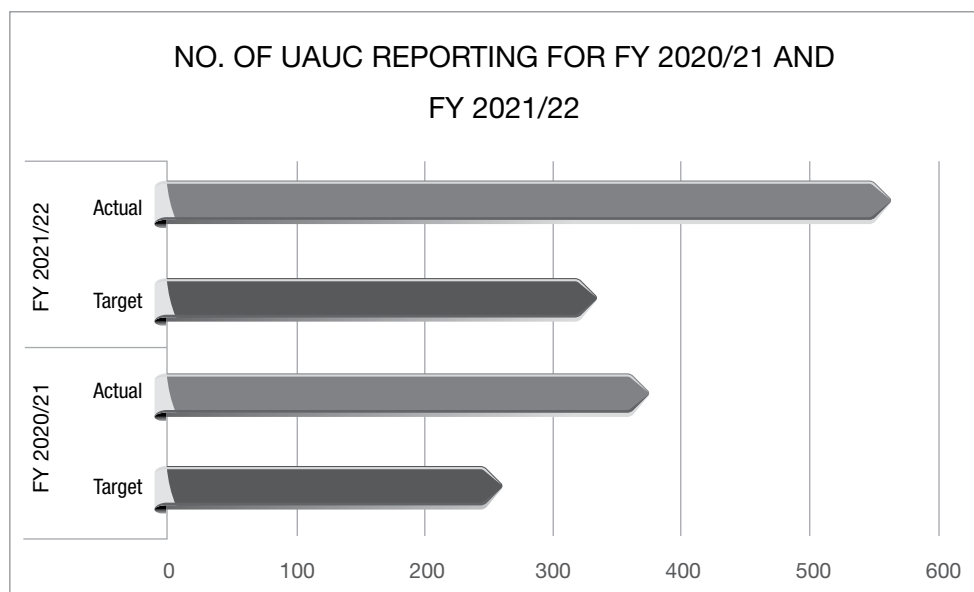
- **Strengthening Unsafe Act Unsafe Condition (“UAUC”) Reporting**

Several strategies have been added into our UAUC reporting program to help us detect any potential hazards as soon as possible. These are necessary to help us prevent any untoward incidents while lowering risks. Some of these strategies are:

- Convert the UAUC reporting to onboard zone mapping to identify the areas on board which generated a lot of reports which necessitated further investigation.
- Conducting cross-reporting between deck and engine crews to prevent work area complacency.
- Cross-checking each report to identify genuine and repetitive issues.
- Conducting detailed analyses and following these analyses with campaigns to reduce the probability for incidents to happen.

# SUSTAINABILITY REPORT

ILLUSTRATION 7



- ILLUSTRATION 7 above indicates the improvement achieved as a result of the H&M BBS program introduced during the year under review.

Subsequent to the UAUC analyses, two campaigns were initiated. They were designed after the UAUC analyses indicated the need to increase focus on prevention and the barriers that were present for each potential threat. The two campaigns were:

- **Code of Safe Working Practice (COSWP) Campaign**  
This was conducted in December 2021 and covered occupational health and hygiene.
- **Technical Safety Campaign**  
This was conducted in March 2022 and focused on familiarising the crew with machineries and systems available on board, with reference being made to OCIMF/IMO guidelines.

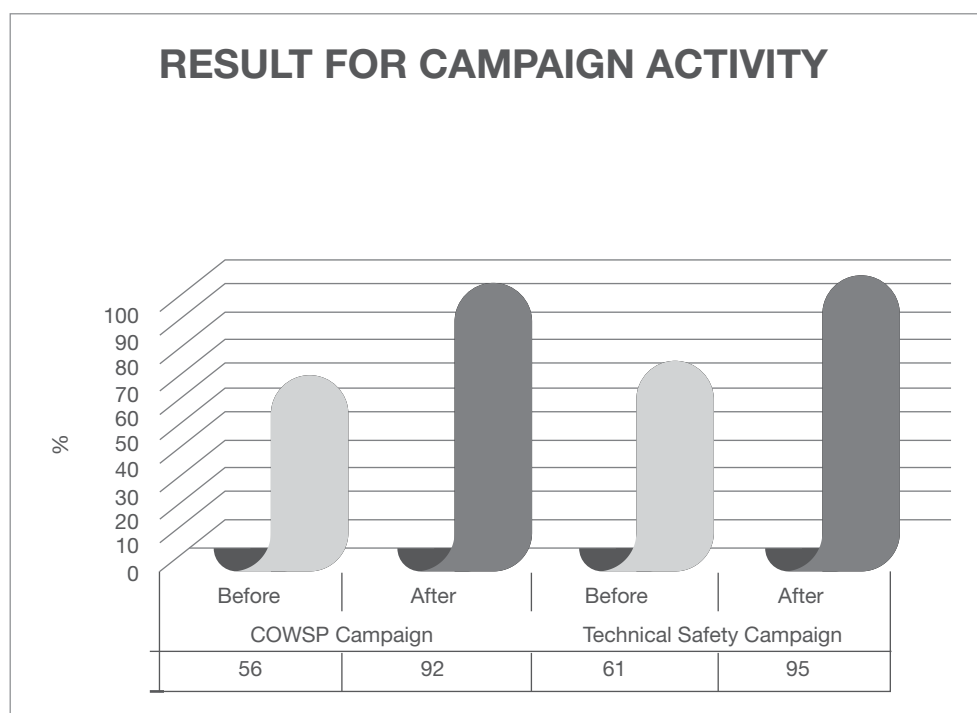
To measure the effectiveness of the campaigns, questionnaires were distributed to all crew members before the start of the campaign to gauge their knowledge. The same questionnaires were distributed again after completion to measure their subsequent knowledge to determine the effectiveness of the campaigns.

The results of these two campaigns are shown by ILLUSTRATION 8 below with both campaigns showing improvement of awareness and knowledge. The % on the vertical axis represents the score attained by the crew members when they responded to the survey questionnaires before and after the campaigns.



# SUSTAINABILITY REPORT

ILLUSTRATION 8



- Continuity of ISO 9001:2015 Quality Management System certification

ENRA SPM underwent a re-certification audit by its certification body, TUV Nord on 3 & 4 January 2022 to renew its ISO 9001:2015 Quality Management System which cover the following scopes:

- Provision of project management of engineering, procurement, fabrication, and assembly, hook-up & commissioning, removal and refurbishment of SPM for oil export terminal facilities; and
- Provision of leasing, periodical maintenance, supply of spare parts and equipment replacement of SPM.

The audit was a process-based audit, focusing on significant aspects, risks and objectives as required by the standard setting body.

Upon completion of the audit, ENRA SPM was granted the continuity of its certification with zero non-compliance matters. The certification was accredited by the UK Accreditation Body (UKAS) and the Department of Standard (DSM) Malaysia.

## ii. Compliance with Bursa Securities and SC requirements

In an announcement issued on 19 Jan 2022, Bursa Malaysia now required that "... listed issuers ("PLCs") with a market cap of RM2 billion as at 31 December 2021, to appoint at least one woman as director on their boards by 1 September 2022, as announced by the Minister of Finance in his Budget 2022 speech on 29 October 2021. For the remaining PLCs, the requirement must be complied with by 1 June 2023".

As far as boardroom diversity is concerned, the Board does not have a specific target for women directors. Evaluation of suitability of candidates is solely based on the candidates' character, competency, qualification, experience, time commitment and integrity in meeting

# SUSTAINABILITY REPORT

the needs of the Company. Our Board acknowledges that the recommendation of Practice 5.9 of the MCCG 2021 with regard to gender diversity on the Board has yet to be adopted. The Board will take into consideration the requirement on gender diversity when vacancies on the Board arise.

During the year under review, changes to the Board composition have taken place. Dato' Mazlin bin Md Junid relinquished his position as President & Group Chief Executive Officer, and resigned from the Board. This position was filled up by Tan Sri Dato' Kamaluddin bin Abdullah who relinquished his position as Executive Deputy Chairman. During the year, Datuk Anuar bin Ahmad had also resigned from the Board.

On 8 March 2022, ENRA appointed Tunku Afwida binti Tunku Abdul Malek ("Tunku Afwida") as an Independent Non-Executive Director. She was subsequently appointed as a member of the Audit and Risk Management Committee, Board Nomination and Remuneration Committee and Employees' Share Scheme Committee. Being a member of the Malaysian Institute of Accountants, Tunku Afwida's appointment to the Board has resulted in ENRA complying with two additional compliance matters; having a female Board member (constituting 14% of Board composition) and having at least one member of the Board to be an MIA member.

With these changes, the Board now comprises of seven members as opposed to eight in the previous years.

## b. Related party transactions

In line with our corporate values and as a responsible corporate entity, we ensure that the rights of our minority shareholders and institutional investors are adequately protected and our actions are not detrimental to them. The Board understands its fiduciary duties which comprise of duty of care (diligent and conscientious), duty of candour (open, honest and frank) and duty of loyalty (to good principles and codes).

All transactions with related parties during the reporting period under review are supported by definitive agreements with terms and conditions that are on arms' length basis and on usual commercial terms.

For recurrent related party transactions, we have obtained the shareholders' mandate in the last Annual General Meeting and those transactions values are still below the threshold.

Related party transactions entered into by the Group for this financial year and the previous financial year are set out in TABLE 3 below:

<b>TABLE 3</b>			
Type of transaction	<b>FYE 31 March 2022</b>	<b>FYE 31 March 2021</b>	<b>FYE 31 March 2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Routine operational transactions			
- outflow of cash	(11,532)	(11,407)	(11,236)
- inflow of cash	1,047	626	265
Purchase of assets	-	-	(22,891)

# SUSTAINABILITY REPORT

## c. Employee hubs

We have seen companies that have been forced to close for inappropriate conduct. That is why it is imperative that in line with our 'Ethical' shared value, we have documents and enablers that are introduced and revised from time to time to ensure that the right thing is done every time, even when nobody is watching. These are including but not limited to:

- Codes of conduct
  - vendors
  - business
  - directors
- Corporate policies
  - corporate drug & alcohol policy
  - corporate quality, health, safety and environment
  - corporate smoking policy
  - corporate stop work policy
- Departmental policies & procedures
 

<ul style="list-style-type: none"> <li>○ Group Finance</li> <li>○ Group Commercial</li> <li>○ Group Legal</li> <li>○ Group Cost Optimisation &amp; Procurement</li> <li>○ Group IT</li> </ul>	<ul style="list-style-type: none"> <li>○ Group Human Capital &amp; Administration</li> <li>○ Risk Management</li> <li>○ QHSE</li> <li>○ Group Internal Audit</li> <li>○ Company Secretary</li> </ul>
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We are pleased to report that we have not incurred any penalties, fines, sanctions, compounds and/or imprisonments that prohibit us from continuing our business for FY 2021/22.

## 2. Business development and expansion (Economic)

The Group is aware that it needs to take necessary steps to ensure that it is not just simply a going concern entity, but one that thrives. To achieve this, its activities must continue to generate ample profits, maintain optimum level of liquidity, and formulate strategies that ensure stability while allowing for growth and expansion. We need a solid business model and strategy that can:

- a. achieve sustainable growth in enterprise value (market value of total equity and debt less cash and cash equivalents) in line with our vision statement;
- b. contribute positively to PATAMI; and
- c. achieve reasonable integration (alignment of shared values, direction and goals) of newly acquired businesses via mergers and acquisitions within two years from the acquisition date.

# SUSTAINABILITY REPORT

Failure to achieve the economic MSM targets above may pose a threat to the Group's sustainability. The results of the Group for the past few years (excluding exceptional items) are as per TABLE 4 below;

<b>TABLE 4</b>						
	<b>FY 16/17</b>	<b>FY 17/18</b>	<b>FY 18/19</b>	<b>FY 19/20</b>	<b>FY 20/21</b>	<b>FY 21/22</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>
Group Revenue	179,338	75,286	164,706	226,646	55,302	<b>62,707</b>
- Property Development	120,178	16,835	2,891	51,962	1,674	<b>2,675</b>
- Energy Services	59,160	58,451	161,815	174,684	53,628	<b>60,032</b>
Gross Profit	54,973	21,367	32,569	43,927	16,693	<b>19,853</b>
EBITDA	29,848	1,752	12,827	36,475	2,518	<b>15,615</b>
EBITDA ex. major EI	29,848	(2,340)	37,365	36,475	12,259	<b>5,274</b>
PBT	28,521	(1,390)	(20,192)	8,362	(7,738)	<b>6,249</b>
PBT ex. major EI	28,521	(5,482)	4,346	8,362	2,003	<b>(4,092)</b>
PATAMI	11,930	(2,676)	(24,613)	2,480	(6,360)	<b>7,319</b>
PATAMI ex. major EI	11,930	(6,768)	(1,915)	2,480	3,381	<b>(6,787)</b>
Net cash flow from operations	36,983	(20,600)	14,556	51,565	48,803	<b>2,819</b>
Cash and cash equivalents	39,679	21,970	22,836	43,457	30,510	<b>16,051</b>
Gearing Ratio – Group level (times)	0.37	0.46	0.14	0.87	0.52	<b>0.03</b>
Gearing Ratio – Co. level (times)	0.34	0.39	0.02	0.07	0.06	<b>0.00</b>
Dividend amount	N/A	6,071	4,048	1,687	N/A	<b>9,984</b>
Dividend per Share	N/A	4.5 sen	3.0 sen	1.25 sen	N/A	<b>7.4 sen</b>
Dividend yield	N/A	1.7%	2.6%	1.0%	N/A	<b>8.5%</b>
Share price as at financial year end	RM2.83	RM2.66	RM1.15	RM1.20	RM0.62	<b>RM0.87</b>
Benchmark PATAMI (PE of 13x)	29,607	27,607	11,935	12,454	6,435	<b>9,029</b>

### 3. Innovation and technology enablers (Economic)

#### a. Cybersecurity and IT infrastructure

Some small but crucial changes were made to our IT infrastructure during the year under review. Our IT infrastructure now operates with a mixture of on-premises and cloud environments. We had migrated our previous mail server from the on-premises system architecture to the Microsoft 365 cloud e-mail solution.

#### i. Cloud Environment Services

ENRA had subscribed for the use of Microsoft 365 which gives us control of the number of licenses and the associated cost charged which on a per license basis.

Some other benefits of having Microsoft 365 to ENRA:

- Microsoft Teams

Migrated to the paid version of Microsoft Teams which has more features and controls. This enhanced our collaboration and communication.

# SUSTAINABILITY REPORT

- Microsoft One Drive

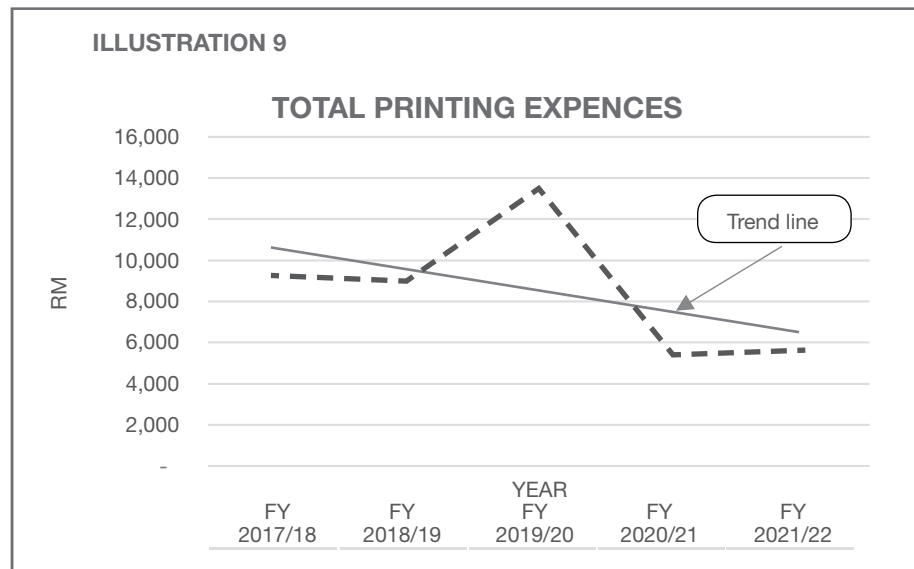
Shifted over from the traditional server-based shared folders to Microsoft One Drive Solutions which provided improved security and accessibility.

- Microsoft SharePoint

Introduced Microsoft SharePoint which increased collaboration between staff and departments.

- Microsoft Forms

Migrated some hard copy forms to digital forms to make it available at any time from any location. This was especially useful under the WFH environment throughout the COVID-19 pandemic. The switch to digital forms has contributed to cost savings from printing and paper. The total printing cost for FY 2018/19 to FY 2021/22 are as per ILLUSTRATION 9 below.



The spike in FY 2019/20 was due to active bidding activities by ENRA Energy Solutions.

- Multi-Factor Authentication ("MFA")

Provided the ability to enable MFA to protect accounts from unauthorised access. MFA will send an approval request/code to account owners before login and the owners would need to approve the access or key in the code provided via SMS or e-mail.

- Cloud Panda Adaptive 360 Antivirus

Selected to allow for ease of managing the computers and server from the cloud. The patching management solutions provided enable Group IT to identify and push updates onto specific target groups/computer systems from the cloud itself.

- Microsoft Azure Active Directory

Selected to sync and handle credential sign-ins to all Microsoft 365 Services.

ENRA works closely with Maxis who had provided the internet services and Microsoft 365 Solutions. Through this collaboration, ENRA has also shared our success stories for publication onto the Maxis website. This can be viewed at the following link:

<https://business.maxis.com.my/en/spark/testimonials/enra-elevates-productivity-microsoft365/>

# SUSTAINABILITY REPORT

## ii. On-Premise Services

ENRA's IT infrastructure runs on Microsoft Windows Server Hyper-V which hosts all applications' servers and provides on-premise services such as BASSnet System to assist us in managing our vessel MT Ratu ENRA, SQL Accounting, Active Directory, File Server and Print Server.

## b. Cyber Security

The cyber security features and controls include on-premises data privacy and protection, internet & network security, and backup & disaster recovery of ENRA's systems and infrastructure. These are protected with the expertise of our Group IT that oversees all of our IT assets across companies and multiple locations including Myanmar. The control and monitoring processes include:

- i. Strict adherence to Group IT's standard operating procedures & manual;
- ii. Multiple-interval daily data backup;
- iii. Interconnecting all branches' office networking & infrastructure with headquarters for remote monitoring and technical support;
- iv. Standardising the use of Microsoft Windows operating systems, and business-approved applications such as Microsoft Teams, BASSnet CMMS, TeamViewer and SQL Accounting;
- v. Standardising the use of laptops and desktops within the organization;
- vi. Restriction of access to internet sites that are susceptible to scam, phishing, cyber-attacks and security breaches;
- vii. Prompt alerts and warnings from Group IT on suspicious e-mails;
- viii. Segregation of WI-FI access for visitors that require registration to facilitate monitoring;
- ix. Application of up-to-date virus protection programs;
- x. Logical access control via logins and passwords;
- xi. Physical access controls via locks, alarms and CCTVs;
- xii. Disaster recovery plan with a secure offsite location; and
- xiii. Setup and configured our offshore vessel's (Ratu ENRA) networking system to connect to the Group's system. This involved connecting the onboard systems to the HQ server for monitoring, troubleshooting, data transfer, e-mail and system backup purposes. Remote surveillance via stable, reliable and fast internet and satellite connection was also made possible.

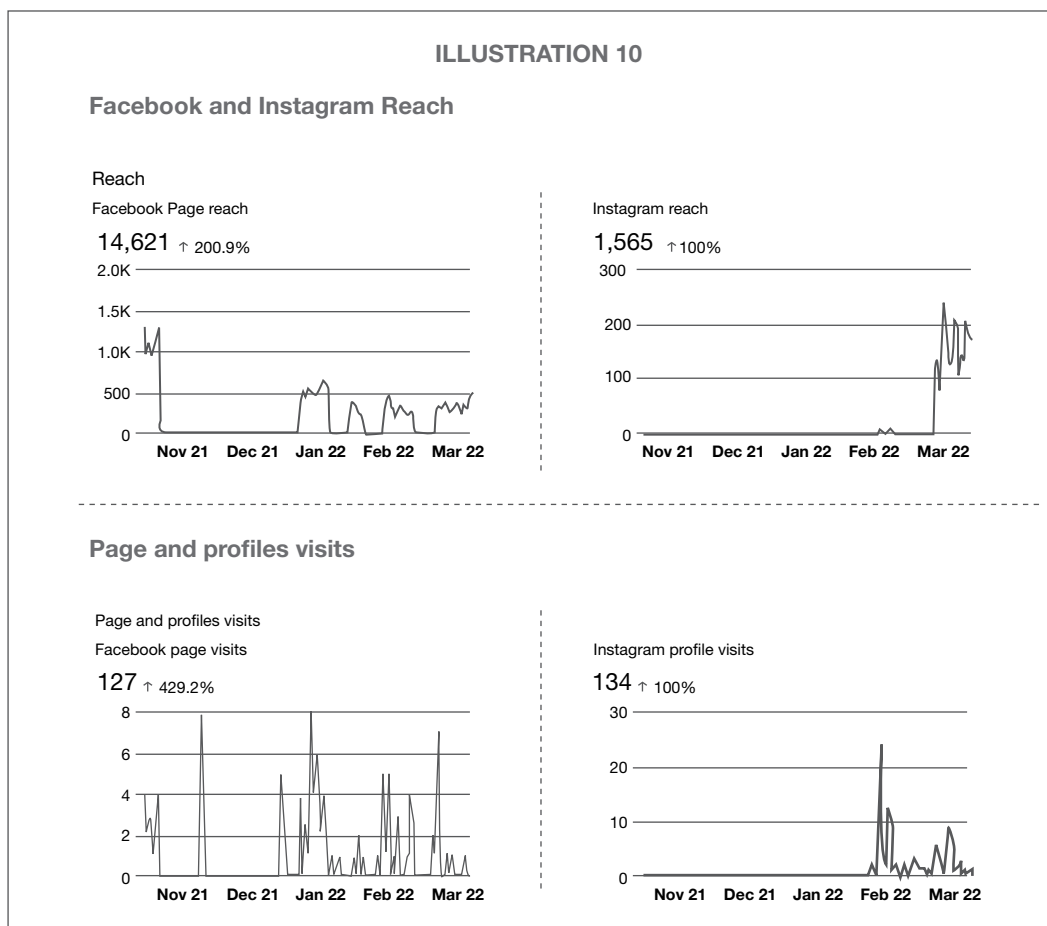
## c. Digital Marketing

The various phases of Movement Control Orders ("MCOs") which resulted from the COVID-19 pandemic had curtailed all public meetings, public engagement, roadshows and exhibitions, and the likes. Our property development subsidiary, Q Homes, had to quickly adapt to this new norm by adopting digitalised means for their marketing and sales strategies, among which included:

- i. virtual meetings via various virtual meeting platforms;
- ii. digitalised marketing instruments such as flyers and brochures;
- iii. virtual gallery; and
- iv. social media platforms (i.e., Facebook and Instagram).

# SUSTAINABILITY REPORT

We believe that spending on digital marketing initiatives has been impactful. Thus far, Q Homes has reached over 14,000 people online as per ILLUSTRATION 10 and as a result, received high volume of enquiries on our projects since we began our digital marketing last year.



While we embrace these new norms, the old forms of engagement through e-mails and websites still remain relevant.

## 4. Project and job execution (Economic)

### a. Monitoring for sustainable business

It is important for the Group to manage its projects and jobs efficiently from the point of inception right through planning, implementation, completion and post-completion analysis (to address lessons learnt and implement measures and practices for future exercises).

The Group places importance on the following:

- Thoroughness in due diligence;
- Timeliness of execution and completion within assigned budgets;
- Implementation of contingency plans;
- Sensitivity and adaptability to changes in market conditions that would require quick intervention or modification to the execution plan;
- Proper monitoring of progress taking into account directives and requirements of the Board and Senior Management; and
- Balancing progress against financial considerations.

# SUSTAINABILITY REPORT

The Group uses the following project management platforms to monitor the various projects we undertake:

## i. **Monthly Financial Review (“MFR”)**

The MFR takes place once a month and is attended by the head of each subsidiary, who is accompanied by the subsidiary’s head of finance, and officers to key projects being undertaken. Each subsidiary presents their performance results to the EXCO and a review of the financial performance, top achievements and areas for improvement are discussed.

Comparisons between actual and budgeted numbers for the month and year-to-date are reviewed. Projections for the year compared to the approved annual budget, and any remedial plans to achieve or outperform the budget would be discussed as well.

## ii. **Group Management Committee (“GMC”)**

This meeting is usually conducted on Monday of the first and third week of the month, focusing more on operational updates and business development strategies. Participants are the key management personnel of the Group including the EXCO. The participants will brainstorm practical solutions to support each other during this session.

## iii. **EXCO Activity**

The EXCO is consistently in communication with each other and the Middle to Senior Management are given a direct channel to engage the EXCO for support and decision making. Communication tools such as Microsoft Teams, direct messaging and conference calls are regularly utilised to ensure smooth and efficient interaction between the EXCO and Management.

## iv. **Ensuring Project Continuity**

A significant political event took place in Myanmar towards the end of FY 2020/21 which resulted in curfews being imposed nationwide and all forms of movements being restricted. This situation lasted for about six months. This affected the operations of our MT Ratu ENRA vessel as the crew members of the Operations & Maintenance included local members who came from all over the country.

Due to the various restrictions imposed and the associated civil unrest, PCML was forced to mobilise the crew directly from Yangon to Yetagun. The number of chopper flights was reduced to about two to three flights monthly from the normal five to six flights. As a result, the number of seats available for our crew was also limited and we were only able to rotate six crew members per month.

During this six-month period, the Tour of Duty (“TOR”) of some crew members were extended by up to 120 days (from the usual 60 days) in order to give more time for the mobilisation of replacement crew. Management of Change was used as a tool to execute the extension of stay with additional safeguards such as health checks and crew engagement added in. These were conducted regularly to ascertain that all crew members were both physically and mentally healthy, and coping well with the long stay.

Despite the difficult circumstances (political instability and COVID-19 pandemic), we are proud to report that we were able to ensure project continuity without any impact to the daily operations of our vessel.



# SUSTAINABILITY REPORT

## b. Tender, quotation and proposal management

The preparation and timely management of tenders, quotations and proposals to meet prospective clients' requirements whilst taking into account the right pricing structure is important to the Group.

The following processes and parameters have been put in place to ensure that the Group's order books remain healthy. They cover the general approach undertaken when bidding for project opportunities.

### i. General process and considerations

- An asset-light approach (involving minimal upfront cost) where possible.
- Ensuring that the opportunity is within the ambit of Management's expertise and/or that it is sufficiently managed by existing management/promoters (i.e., in situations where an ongoing/operating business or company acquisition is pursued).
- Preliminary desktop research and assessment on the industry involving the opportunity (case-by-case basis depending on the type of opportunity).
- Where Management has very basic knowledge of the industry, external advisors shall be consulted (e.g., industry experts, tax consultants, regulators etc.).
- Detailed financial projections to be prepared with assistance from Group Finance on financing, accounting and tax issues.

If the opportunity is viable, Group Commercial or the head of the subsidiary overseeing it, shall formally propose and seek EXCO's approval to pursue the opportunity further.

Subject to prospective clients' requirements and approvals, the involvement of potential business partners and the expertise, financial position and track record that they contribute, are considered for such opportunities.

### ii. Proper assessment of prospective clients' '4Cs' is important for the sake of business sustainability. The 4Cs are:

- Character – reputation, integrity, ability and willingness to contribute financially;
- Credentials – proven track record;
- Capabilities – present and potential skillsets; and
- Connections – for referral and to generate recurring revenue.

Furthermore, as a matter of risk management policy, the Group will avoid companies that have dealings with sanctioned countries or companies set up in tax havens such as British Virgin Islands, Cayman Island, Isle of Man, Belize and the like. In addition, the Group is very selective on taking sub-contracting jobs.

## 5. Proactive, dynamic and happy workforce (Social)

### a. Employment and recruitment practices

The ENRA Group Diversity Policy established by the Board acknowledges the advantages of gender diversity as well as diversity of ethnicity, age, competency, cultural background and experiences, amongst others. ENRA fosters inclusiveness at the workplace and supports a flexible work arrangement, which are some of the Company's value propositions to attract female employees to the Group. Some of our diversity data are as follows:

# SUSTAINABILITY REPORT

## i. Gender Diversity

ILLUSTRATION 11 below shows that from FY 2016/17 until the year under review, the average percentage of female staff over the total headcount stood at between 29% and 40%. This works out to an average of 36% over the six years. The only time the percentage fell below the average was during FY 2016/17. It is however not our intention to maintain such average percentage.

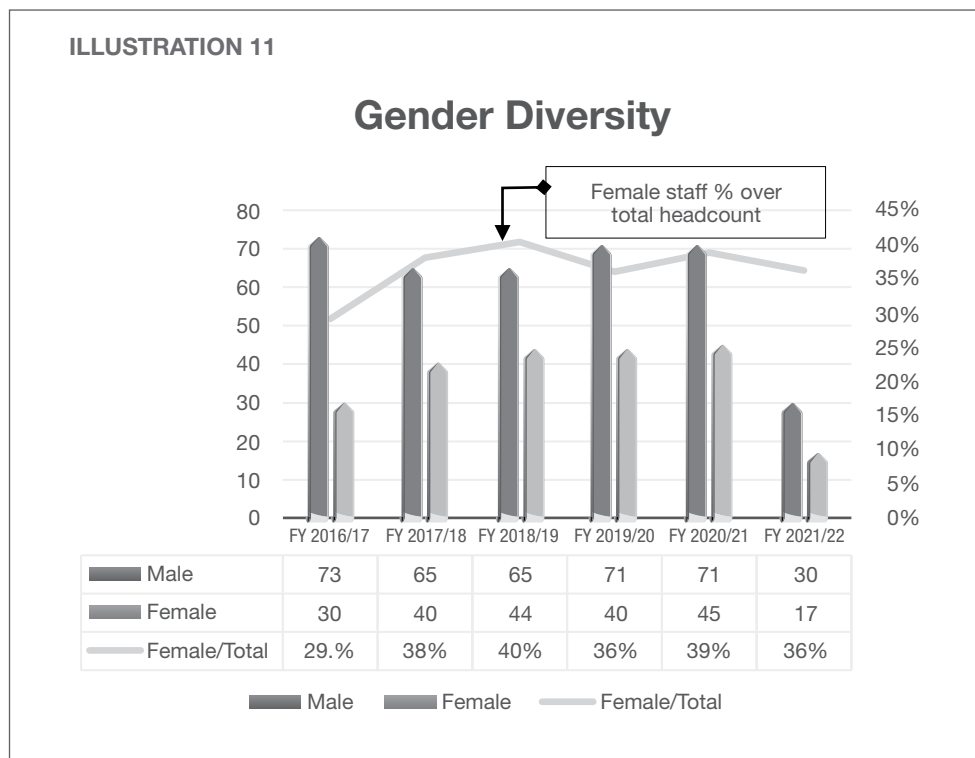


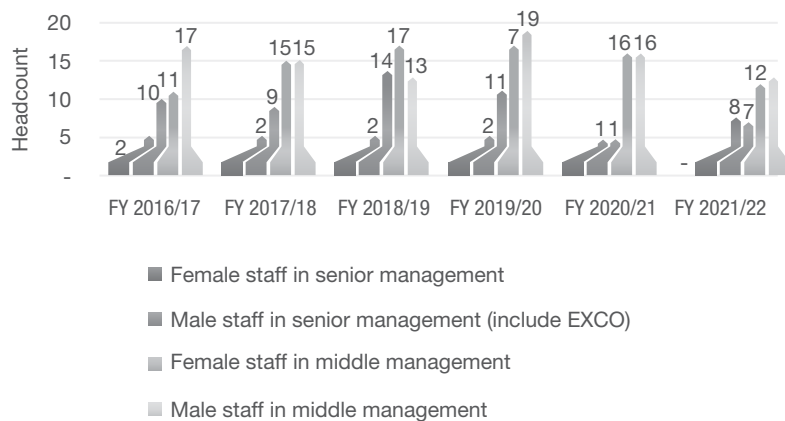
ILLUSTRATION 12 below shows that there were female staff in Senior and Middle Management. In Middle Management, the female middle managers were at times as well represented as their male counterpart. The number of female senior managers however, had dropped by the end of FYE 2021 and reduced further to zero by the end of the year under review. This, however, has been compensated by the appointment of our first female director to our Board of Directors.

# SUSTAINABILITY REPORT

The drop in the total headcount of ENRA in FY 2021/22 was due to the rightsizing exercise at the end of FY 2020/21 and the divestment of our then subsidiaries, ENRA Kimia and its subsidiary International Chemicals Engineering Pty. Ltd.

ILLUSTRATION 12

## Senior & Middle Management Gender Composition

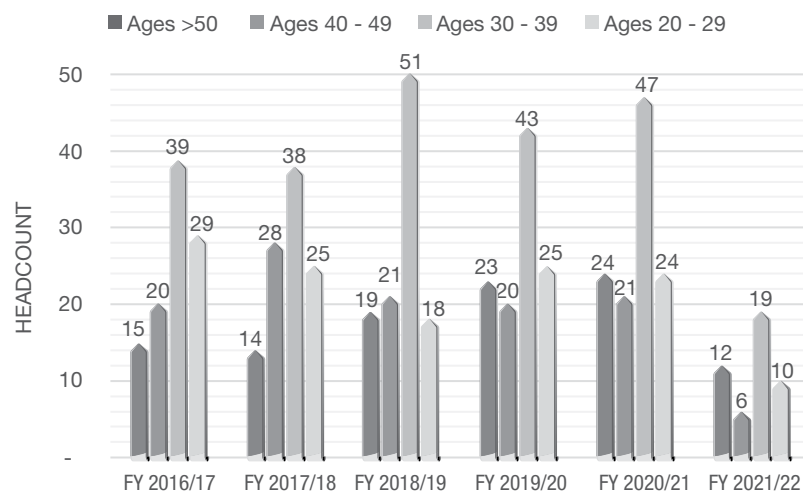


## ii. Age Diversity

Our employees' age ranges from the 20's to the 50's and above group as illustrated in ILLUSTRATION 13 below:

ILLUSTRATION 13

## Age Diversity



# SUSTAINABILITY REPORT

## iii. Racial Diversity

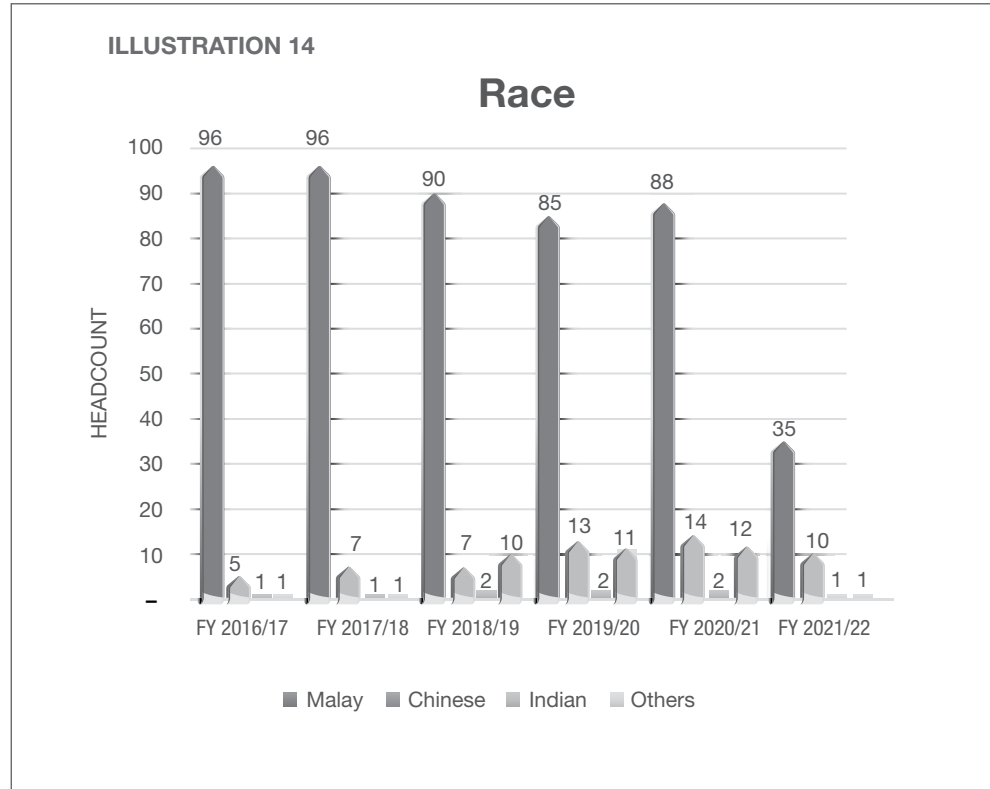


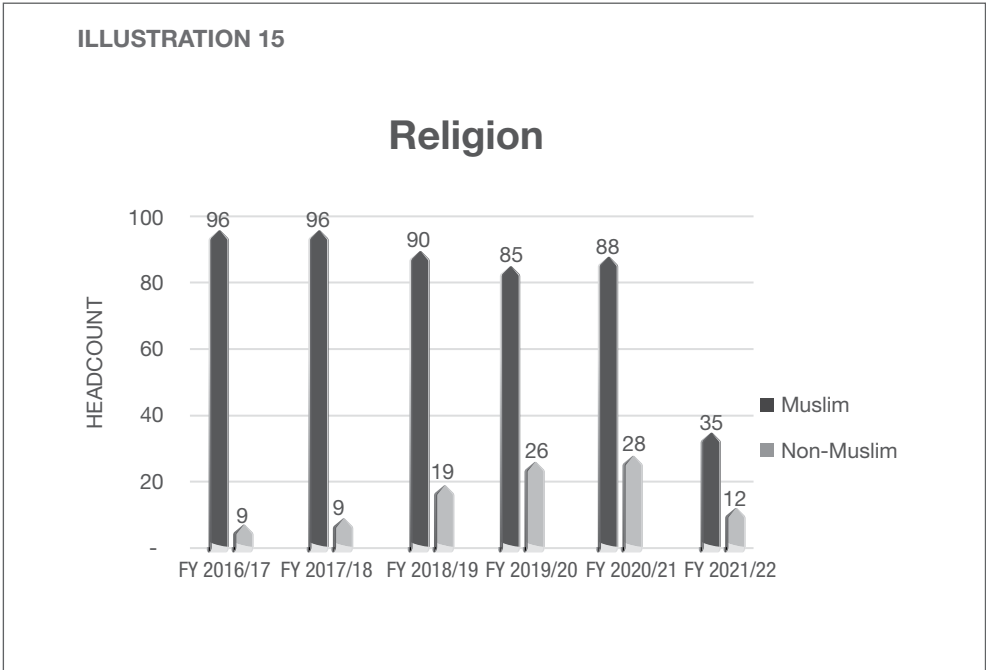
ILLUSTRATION 14 above clearly indicates that Malays have been the bulk of our workforce over the years. Subsequent to the rightsizing exercise and the divestment of subsidiaries, employees who are Malay still form the biggest racial group within our workforce. We can also deduce from the above that the Malay employees constituted the biggest group that left the Group as a result of the rightsizing and divestment.

# SUSTAINABILITY REPORT

**iv. Religious Diversity**

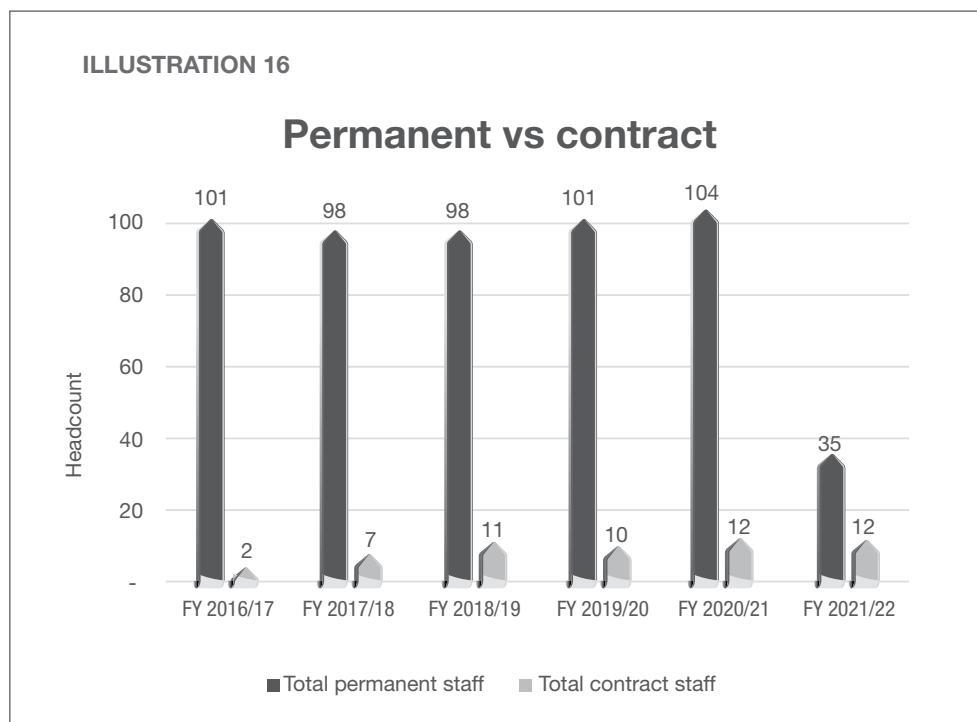
ILLUSTRATION 15 shows us that the Muslims constituted the main bulk of our employees.

Despite the disparity there has been no religion-related issues reported ever since the current shareholders took over the company. The racial and religious disparity have been historical in nature when companies were added into the Group's portfolio. Race and religion have never been a criterion in the Group's recruitment exercise.



# SUSTAINABILITY REPORT

## v. Permanent vs contract



In the course of conducting our business, we sometimes hire staff on a contractual basis. They are most often tied to a specific project we are undertaking and they most often have specific skills easily marketable across the industry. ILLUSTRATION 16 above shows the number contract staff vis-à-vis permanent staff. It is interesting to note that despite the rightsizing exercise and the divestment of subsidiaries, the number of contract staff was not affected. This does not support the myth that contract staff do not have good job security.

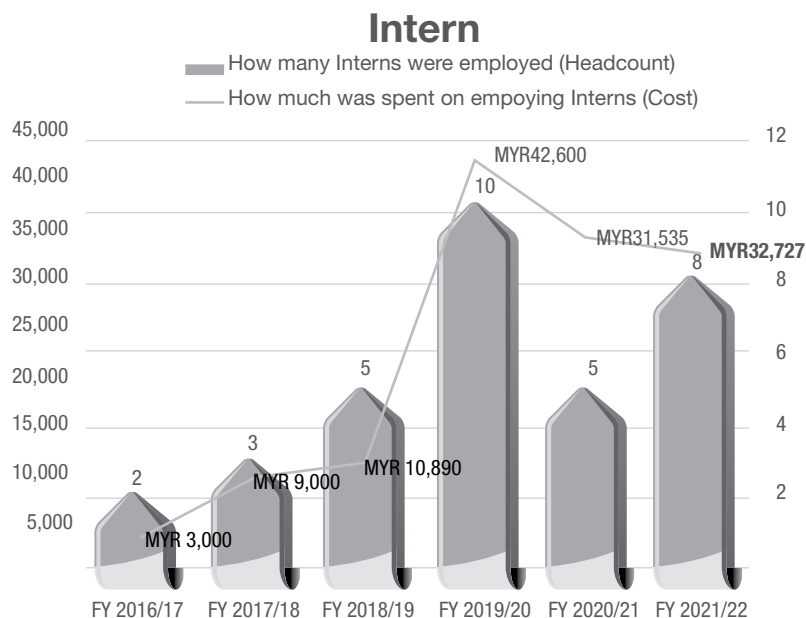
# SUSTAINABILITY REPORT

## vi. Interns

Over the years ENRA has employed interns as part of our workforce. The number of interns engaged and the annual amount spent on internship are indicated in ILLUSTRATION 17 below. Except for a particular case in FYE 2017, all of our interns were local Malaysian tertiary students from either local and overseas universities. In 2017, we had an Australian student who applied for and successfully interned with us.

At ENRA we take internship seriously; interns are treated as staff members and are usually given proper tasks with a view that if they handle themselves and the tasks assigned well, they may be considered for full employment upon graduation from their studies. The internship period ranges between three to six months. To date, five of our interns have joined us as staff members.

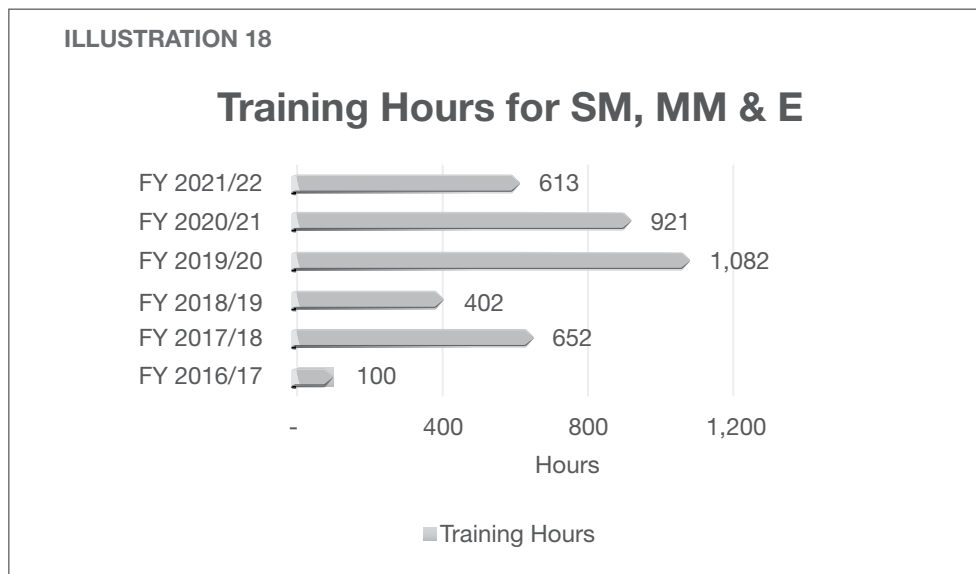
ILLUSTRATION 17



# SUSTAINABILITY REPORT

## vii. Staff training

Staff training is a crucial function of human capital development. Trainings are necessary to ensure the talents and skills of the workforce are kept abreast with the development of the industries we are in and the internal requirements of the Group. ILLUSTRATION 18 below shows the number of training hours spent on our staff across the board; senior managers, middle managers and executives.

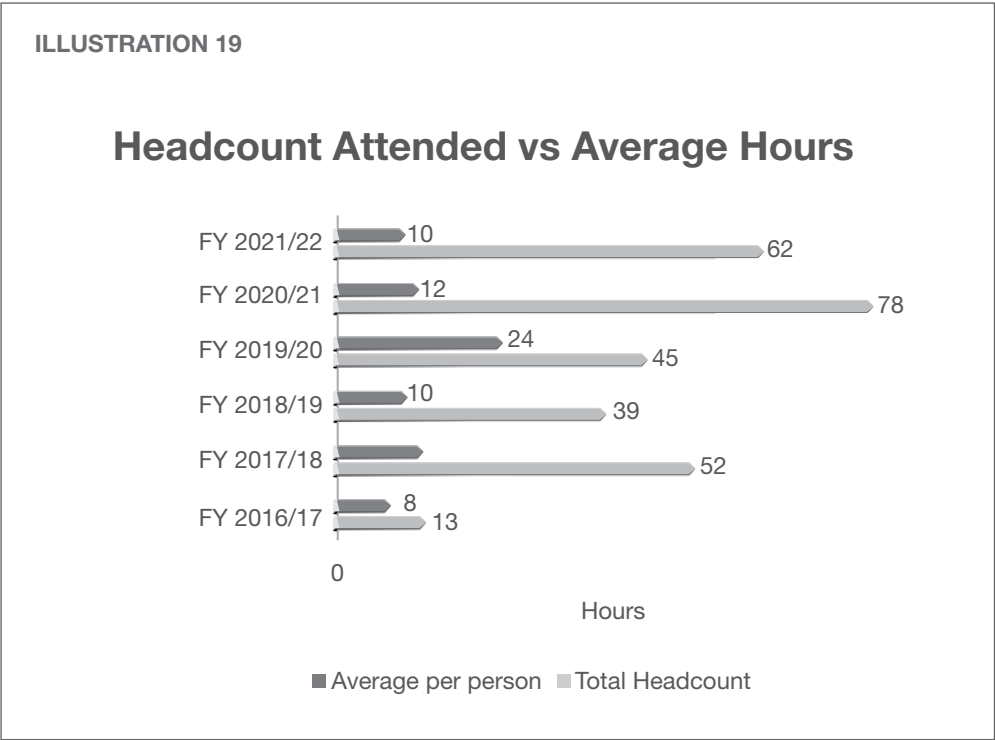


It is interesting to note that the training hours peaked in FYE 2020 and FYE 2021 and decreased in FYE 2022. The spike in the two years was due to the lockdowns as a result of MCOs and Group Human Capital was able to negotiate a win-win situation with training providers for them to conduct online training which generated more staff participation. The reduced training hours for FYE 2022 was due to the reduced staff headcount as a result of the rightsizing exercise and divestment of subsidiaries.



# SUSTAINABILITY REPORT

ILLUSTRATION 19 below shows the total headcount that attended training for each year versus the average training hours per attendee.



**b. Staff Health and Safety**

**i. Handling the COVID-19 Menace: Protecting the Staff**

The handling of matters relating to the COVID-19 pandemic was done via our Business Continuity Plan 2.0 (“BCP 2.0”) which was issued during the last financial year and regularly updated in accordance with the various Government and industry rulings, procedures and protocols. The BCP 2.0 as shown in ILLUSTRATION 20 was constantly updated to ensure that it was current and was enforced ardently by Management.

# SUSTAINABILITY REPORT

ILLUSTRATION 20

ENRA BUSINESS CONTINUITY PLAN 2.0 2019 Novel Coronavirus		
<b>General Practices</b> <ul style="list-style-type: none"> <li>Wear face masks all the time</li> <li>Sanitize hands as often as possible</li> <li>Maintain high standards of hygiene</li> <li>Maintain social distancing</li> <li>No outside vendor's or visitors meeting in office</li> <li>Feeling unwell? <b>"STAY HOME"</b> and follow standard <b>SOP</b> by <b>MOH</b></li> <li>Abide by Government imposed rules</li> <li><b>"BE SMART AND THINK OF OTHERS"</b></li> </ul>	<b>Description</b>	<b>Details</b>
	<b>If you are planning to work in the office</b>	<ol style="list-style-type: none"> <li>1. Notify Human Capital Dept. (HCD) on your planned date to work in the office</li> <li>2. HCD will notify the availability of working space in the office on the requested date</li> <li>3. <i>MUST perform self-test using Covid-19 test kit at home one day before working in the office</i></li> <li>4. <i>MUST inform self-test result to HCD and direct supervisor</i></li> <li>5. Test result:-               <ol style="list-style-type: none"> <li>a. Negative – HCD will prepare the confirmation letter together with MITI approval letter for your travelling purpose (for the mentioned period only).</li> <li>b. Positive – Please strictly follow standard SOP by MOH                   <ol style="list-style-type: none"> <li>i. <a href="https://covid-19.moh.gov.my/faq-sop/faq-covid-19-kkm">https://covid-19.moh.gov.my/faq-sop/faq-covid-19-kkm</a></li> <li>ii. <a href="https://covid-19.moh.gov.my/garis-panduan/pemantauan-kendiri-kes-positif-covid-19-di-rumah">https://covid-19.moh.gov.my/garis-panduan/pemantauan-kendiri-kes-positif-covid-19-di-rumah</a></li> </ol> </li> </ol> </li> </ol> <p><b>*Important note:</b></p> <ul style="list-style-type: none"> <li>✓ As per MKN SOP, the self-test only valid for 2 weeks and you <b>MUST</b> perform another test if you are still required to work in the office.</li> <li>✓ For those who are required to work full-time in the office, it is a <b>MUST</b> for you to take the test in every 2 weeks.</li> <li>✓ Kindly ensure that you don't feel unwell or have any symptoms before coming to work in the office.</li> </ul>
	<b>While in the Office (Important)</b>	<ol style="list-style-type: none"> <li>1. <u>MUST properly wear approved surgical mask at all times</u></li> <li>2. <u>MUST get temperature checked and MySejahtera Check-in at the reception</u></li> <li>3. <u>MUST sanitise hands after touching doorbell/handle, fingerprint scanner</u></li> <li>4. Social distancing (e.g. 1 meter apart, take-away food, avoid crowded places incl. lifts, do not join social gatherings, limit exposure to non-workplace premises/areas, no shaking hands, etc.)</li> <li>5. Observe good personal hygiene as per Annex 2A of BPC 2.0</li> <li>6. Frequently wash hands with soap (e.g. before handling food or eating, after going to the toilet, after coughing or sneezing)</li> <li>7. NO unplanned visitors allowed in the office premises.</li> <li>8. Consult Management/Designated Officer for any planned visitors. Planned visitors must be registered and temperature checked at reception.</li> <li>9. Sneeze and cough into tissue paper and throw tissue paper</li> <li>10. Take meals at your desks with own cutleries, plates, bowls and containers. Please bring these home to wash.</li> <li>11. Limit food handling and washing of cutleries, plates, bowls and containers in the pantry</li> <li>12. Do not share food, drinks and cutleries in the workplace</li> <li>13. Open room windows for better ventilation but make sure they are closed before leaving work</li> <li>14. Prioritise internal virtual meetings, and NO physical meetings with external parties</li> <li>15. If personnel develop any symptoms:               <ol style="list-style-type: none"> <li>a. alert supervisor and the Designated Officer immediately;</li> <li>b. immediately avoid contact with fellow employees; and</li> <li>c. seek medical treatment immediately.</li> </ol> </li> </ol>
<b>If you are "Positive"!</b> If you have been in close contact / develop any symptoms / tested positive please immediately disclose to HCD, QHSE or the Designated Officer		
<b>Process &amp; Business Functions</b> The Management has identified alternate teams of employees who are required to work in different locations in order to ensure continuity of critical business functions. The composition of these alternate teams and their working arrangements may be changed by the Management at any time and from time to time guided also by the status of the Covid-19 outbreak in Malaysia as advised or declared by the Malaysian Government.		
<b>References</b> <ul style="list-style-type: none"> <li>ENRA Business Continuity 2.0</li> <li><a href="https://covid-19.moh.gov.my/faq-sop/pelan-pemulihan-negara-sop-fasa-satu">https://covid-19.moh.gov.my/faq-sop/pelan-pemulihan-negara-sop-fasa-satu</a></li> <li><a href="https://pelanpemulihannegara.gov.my/selangor/index.html">https://pelanpemulihannegara.gov.my/selangor/index.html</a></li> </ul>		

Group Human Capital, hand-in-hand with QHSE, had to manage not only our land-based staff but also the staff onboard of our MT Ratu ENRA vessel. The latter proved to be more challenging due to the operating conditions, the distance and its operations within foreign boundaries where the applicable rules and procedures would have differed.

A series of actions were taken by the Group to ease the burden faced by the employees and their family members. Among the actions taken were:

- Strictly monitoring attendance to the office with a maximum allowable. Only those given permission were allowed to enter the office and they would have had to undertake an RTK antigen test beforehand. These tests were mandatory to everyone;
- All three vaccination and booster shots were made mandatory to all staff and these were closely monitored. Staff were given the day off when they went for their vaccination shots. By the end of FY 2021/22 all staff members had taken their first and second vaccination shots and almost 100 had taken their booster shots. The Group also monitored the vaccination of immediate family members of the staff;

# SUSTAINABILITY REPORT

- The vaccination records as of 30 April 2022 are indicated by TABLE 5 below:

TABLE 5		
Staff		
Total Staff	94	
eForm submission	94	
Not submitted (eForm)	0	
MySejahtera Registered	94	
Staff Vaccinated 1st Dose	94	100%
Staff Vaccinated 2nd Dose	94	100%
Household		
Total household	256	
Eligible to register	178	
MySejahtera Registered	171	
Household Vaccinated 1st Dose	105	61%
Household Vaccinated 2nd Dose	78	46%
Total employee eligible for vaccine	94	
Total household eligible for vaccine	178	
Total employee & household vaccinated 1st Dose	199	
Total employee & household vaccinated 2nd Dose	172	
Balance not vaccinated 1st Dose	73	
Balance not vaccinated 2nd Dose	205	

The Group also issued oximeters and RTK antigen test kits to the staff for them to regularly monitor their blood oxygen levels and that of their family members; and to regularly self-test. This was done to ease the minds of the staff and to help them focus on their work.

# SUSTAINABILITY REPORT



- Allowing those categorised as a COVID-19 close contacts to claim the cost of any PCR or RTK tests conducted professionally;
- Subscription to an insurance policy that provides the staff and their immediate family members with a comprehensive end-to-end COVID-19 medical coverage and hospitalisation plan. Among the benefits include:
  - Pre-hospitalisation COVID-19 tests of up to RM300 and for illness hospitalisation due to COVID-19 infection at Category 3 and above. This includes hospitalisation coverage, hospital income cover and death benefits for those infected at Category 3 and above; and
  - Current protocol for infection lower than Category 3 would not require hospitalisation.
- As part of efforts to speed up vaccination of all employees and their families, the Management had decided for ENRA to provide the following:
  - Vaccination allowance for employee of RM150;
  - Vaccination allowance for spouse of RM50;
  - Automatic two days paid leave on the vaccination appointment day and the following day to recover from any side effects. An additional day off with permission from the immediate supervisor may be granted if needed; and
  - Claimable travelling cost to and from the Vaccination Centre.

# SUSTAINABILITY REPORT

- ii. Handling the COVID-19 Pandemic: Protecting the People Who Work for Us. Our operations onboard our MT Ratu ENRA vessel forms the majority of our offshore operations. Due to the nature of its operations, any exposure to the COVID-19 infection become more critical and complex and thus, extra care and efforts to prevent such an infection becomes necessary.



Safety requirements dictate the length of time a set of crew members can be on board. The normal allowable TOR for each crew member is 60 days. Under normal circumstances, we would change nine crew members per week. However, because of COVID-19, extra care was needed during these crew exchanges to reduce the risk of crew infection; especially when there were third party personnel present during this process. As a result of COVID-19 SOPs, our crew rotations were reduced to only three per week.

ENRA SPM developed a COVID-19 Emergency Management Plan by following guidelines from WHO and CDC to ensure there would be no outbreak among the crew onboard. The plan oversees early detection, quarantine, and transfer to onshore facilities for further treatment.

Repeated drill exercises with added COVID-19 precautions were conducted to instil familiarity and a state of readiness for emergency situations.

# SUSTAINABILITY REPORT



All crew members were given continuous awareness on COVID-19 especially on the variants, symptoms, and vaccinations so that their knowledge would be up-to-date and not just useful during their time working onboard but also after they demobilise from the vessel.

## c. **Pride in serving a socially responsible employer that serves the community**

A company can operate solely with profitmaking motives and be successful. A company can also be successful by striving towards making profit for its owners/shareholders and while doing so, uplifting its stakeholders as well. This is what Sustainability is and what ENRA strives for.

### i. **Zakat Wakalah**

*Zakat* (tithe) is normally paid to the various state *zakat* authorities where a *zakat* payer, an individual or organisation, resides. In our case, the *zakat* is paid to Pusat Pungutan Zakat ("PPZ") Wilayah Persekutuan. PPZ will then distributes the tithe to the eight *asnaf* groups. The *zakat* paid by ENRA to PPZ comprise of individual *zakat* of our Muslim employees who choose to pay their *zakat* via monthly salary deduction and a 2.5% deduction from company profits. Only EGB and ENRA SPM Labuan elected to pay *zakat*. Any *zakat* paid is tax deductible, for both employees and ENRA.

*Zakat Wakalah* is a program available through the various PPZs where if an organisation or individual's *zakat* payment surpasses a certain threshold, a percentage of the *zakat* paid is available for self-distribution on behalf (*wakalah/wakil*) of PPZ.

For FY 2021/20, the amount available for self-distribution amounted to RM69,277 (EGB: RM56,6330 and ENRA SPM Labuan: RM12,647). For this whole amount the self-distribution was made to *asnafs* (recipients) under the poor category.

### ii. **Flood relief efforts**

The severity of the flood that occurred in December 2021 caught everyone off guard. Earlier in the year it was forecasted that the annual flood would not be severe. However, heavy rainfall within a few days proved that the forecast was way off and consequently, Selangor and Pahang were badly affected. In the case of Selangor, some of the hard hit and badly inundated areas were areas thought to be flood-free.

True to their goodhearted nature, ordinary Malaysians, citizens or otherwise, and NGOs sprang into action to assist. In the chaos of relief providers, our staff could have banded together with a relief group from their communities or NGOs, but instead they chose to band together and provided relief under ENRA's banner. Instead of rushing in with aid and supplies, the original team comprising six staff elected to wait, observe and understand so that the subsequent efforts would be well-targeted, effective and meaningful.



# SUSTAINABILITY REPORT

Our staff made two relief efforts:

- 21 December 2021: In collaboration with the office of the ADUN of Dengkil, the team went to two temporary relief shelters at SK Kota Warisan and SK Labohan Dagang to distribute aid packages which comprised of:
  - dry food;
  - comforters;
  - towels;
  - children's napkins;
  - toiletries; and
  - cleaning tools and supplies.

They also stumbled upon to an *orang asli* camp at Bukit Tadam. This group of more than a hundred *orang asli* had missed the attention of aid-givers. Our team were able to quickly hand over similar aid packages to this *orang asli* group.

12 January 2022: With up-to-date information in hand, the team went to Taman Sri Nanding in Hulu Langat. H ulu Langat was one of the hardest hit areas; the last incidence of flood in this area was more than two decades ago. Prior to making the trip, the relief team had researched and obtained specific information for each household needing help which made their efforts easier and welcoming. On this trip, the original six were assisted by an additional 12 staff members and the aid they distributed comprised the following:

- mattresses and pillows;
- simple kitchen cabinets;
- single and double stoves;
- blenders;
- kettles;
- televisions;
- carpets;
- rice cookers;
- irons; and
- stand fans.



ENRA's Heart and Mind Program

# SUSTAINABILITY REPORT

## 6. Energy, resources and waste management (Environmental)

### Energy savings as a business

Through our 51%-owned subsidiary ENRA IOL, we continue to help fellow Malaysians accelerate energy and cost savings by switching to light emitting diode ("LED") lighting solutions, with optional internet-based smart applications.

<b>TABLE 6</b>			
<b>ENRA IOL LEDs used by others</b>			
	<b>FY 2019/20</b>	<b>FY 2020/21</b>	<b>FY 2021/22</b>
Energy Saved (Kwh/year)	3,075,726	3,597,848	6,507,742
Average tariff (RM/kwh)	0.42	0.41	0.40
Cost saving (RM)	1,247,029	1,455,878	2,602,676
CO2 emission reduction (MT/year)	2,395	2,891	5,656

From TABLE 6 above, the change in total energy saved from FY 2019/20 to FY 2020/21 worked out to about 17% followed by a jump of 81% in FY 2021/22. This translates to an increase in cost savings for the clients of about 17% from FY 2019/20 to FY 2020/21 and 79% increase in savings from FY 2020/21 to FY 2021/22.

In terms of CO<sub>2</sub> emission reduction, there was an increase in reduction of about 21% from FY 2019/20 to FY 2020/21 followed by a huge increase of 96% from FY 2020/21 to FY 2021/22.

As a result of our divestment and rightsizing exercise, we have relocated our office to a much smaller premise which has yet to use ENRA IOL's LEDs. ENRA intends to install these LEDs once it becomes practicable and economical.



# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

**The Board of ENRA is pleased to present the Audit and Risk Management Committee Report for the financial year ended 31 March 2022**

## COMPOSITION AND MEETING

As at the date of this report, the ARMC has four members, all of whom are Independent Non-Executive Directors (“NEDs”). All of the Independent NEDs satisfy the test of independence under MMLR of Bursa Securities. The composition of the ARMC complies with Paragraph 15.09(1)(a) and (b) of the MMLR and Practice 9.4 (Step-up) under Principle B of the MCCG 2021. Datuk Ali bin Abdul Kadir is a Fellow of the ICAEW, a member of the MICPA and a member of the MIA. Tunku Afwida binti Tunku Abdul Malek, who was appointed on 8 March 2022, is also a member of the MIA and qualified as a Chartered Accountant from the ICAEW. Accordingly, the Company complies with Paragraph 15.09(1)(c)(i) of the MMLR.

In addition, the Company also complies with Practice 9.2 of the MCCG 2021 that none of the Directors were former partners of the external audit firm of the Company.

The ARMC held seven meetings during the financial year ended 31 March 2022. The meetings were appropriately structured through the use of agendas which were distributed to members with sufficient notification (at least seven days prior to the meeting). The President & Group Chief Executive Officer, the Executive Director and the Chief Financial Officer were present in all the meetings to facilitate direct communication and provide clarification on audit and internal control issues as well as to report the Group’s financial performance. The head of Internal Audit attended all the meetings to table the quarterly internal audit and risk management reports. The external auditors, Messrs. BDO PLT (“BDO”) attended three of these meetings upon the invitation of the ARMC to present the Audit Planning Memorandum, annual audit findings, draft audited financial statements and financial matters for the financial year 2022. As part of the ARMC’s efforts to ensure the reliability of the Company’s quarterly financial statements and their compliance with the applicable Financial Reporting Standards, BDO was engaged to conduct a limited review of ENRA’s financial results on a half-yearly basis before their presentation to the ARMC for review and recommendation for the Board’s approval and adoption.

The minutes of each ARMC meeting were recorded and tabled for confirmation at the following ARMC meeting and subsequently presented to the Board for notation. The Chairman of the ARMC reported the ARMC’s recommendations to the Board for its consideration and implementation. Matters of significant concern and audit issues as and when raised by the External Auditors or Internal Auditors were highlighted to the Board at its immediate subsequent meeting.

Attendance of the members of the ARMC at meetings held during the financial year is as follows:

Name	Membership	Attendance (Attended/held)
Tan Sri Dato’ Seri Shamsul Azhar bin Abbas	Chairman Senior Independent Non-Executive Director	7 out of 7
Datuk Ali bin Abdul Kadir	Member Independent Non-Executive Chairman	7 out of 7
Datuk Anuar bin Ahmad (resigned on 8 March 2022)	Member Independent Non-Executive Director	7 out of 7
Dato’ Wee Yiaw Hin	Member Independent Non-Executive Director	6 out of 7
Tunku Afwida binti Tunku Abdul Malek (appointed on 8 March 2022)	Member Independent Non-Executive Director	0 out of 0 *

\* reflect the number of meetings held during the time the Director held office during the financial year

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

## COMPOSITION AND MEETING (CONT'D)

During the financial year, the Board had reviewed and revised the Terms of Reference (“TOR”) of the ARMC by incorporating the new amendments to the MCCG 2021 and MMLR into the TOR. The Board through its Board Nomination and Remuneration Committee, assessed the performance of the ARMC and its members through an annual Board Committee effectiveness evaluation. The Board is satisfied that the ARMC and its members discharged their functions, duties and responsibilities in accordance with the TOR of the ARMC, supporting the Board in ensuring the Group upholds appropriate corporate governance standards. The TOR of the ARMC is available on the Company’s website at [www.enra.my](http://www.enra.my).

## SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

During the financial year, the key activities undertaken by the ARMC are set out below:

### Financial Reporting

- a. Reviewed the unaudited quarterly financial results of the Company and the Group and the accompanying announcements prior to recommending the same for Board’s approval, focusing on particularly :
  - The overall performance and prospect of the ENRA Group;
  - The changes and implementation of major accounting policies and practices and the auditor’s report highlighting the key audit matters and the implication on the Group;
  - Compliance with accounting standards and other legal requirements;
  - Significant accounting and audit matters raised by BDO in financial statements and the corresponding judgement made by the Management.
- b. Reviewed the audited financial statements and discussed with BDO on the accounting treatment and disclosure of the investments of the Group prior to submission to the Board for approval. The External Auditors was of the opinion that the Company’s audited financial statements reflected a true and fair view of the financial position of the Company and its Group in accordance with the relevant accounting standards and legal requirements.

### External Audit

- a. Reviewed BDO’s scope of work and audit plans for the financial year to ensure sufficient coverage in terms of scope. Prior to the audit, representatives from BDO presented their audit strategy and plan. The ARMC also met with BDO twice on 27 May 2021 and 23 February 2022 without the presence of the Executive Directors and Management. BDO were given the opportunity to raise any matters of concern arising from their audit work. No major concerns were highlighted and BDO had also confirmed that they had received full cooperation from Management and unrestricted access to the Group’s records.
- b. Reviewed with BDO the results of the audit, the audit report and the management letter, including Management’s responses to the audit findings.
- c. Considered the audit fees payable to the external auditors against the size and complexity of the Group before recommending for Board’s approval.
- d. Reviewed the independence, objectivity and suitability of the external auditors and services provided, including non-audit services. Details on the non-audit fees incurred for services rendered by the external auditors and its affiliates for the financial year ended 31 March 2022 are disclosed in the Additional Compliance Statement on page 70.
- e. Recommended to the Board for the re-appointment of the external auditors to be proposed for shareholders’ approval at the Annual General Meeting.
- f. Engaged with the external auditors on matters related to BDO’s Transparency Report 31 December 2020 and took note of the same.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

## SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR (CONT'D)

### Internal Audit

- a. Approved the Internal Audit Plan for financial year ending 31 March 2023. The Audit Plan was developed using a risk-based audit methodology where entities and processes were selected for audit based on risk assessments carried out periodically by the Internal Auditors.
- b. Reviewed the adequacy of the Internal Audit department's resource requirements, programmes and the annual assessment of the Internal Audit department's competency, performance and staff composition. The ARMC had also met with the head of Internal Audit without the presence of the Executive Directors and Management to ensure there were no restrictions on the scope of IA's audit. The head of Internal Audit were given the opportunity to raise any matters of concern arising from their IA's work.
- c. Reviewed and deliberated the internal audit reports that highlighted audit issues, major findings, audit recommendations and Management's responses. The ARMC also reviewed the status of implementation of corrective actions taken by Management to ensure appropriate remedial actions were taken on a timely basis to address all areas of risk and internal control issues.

### Risk Management

- a. Recommended to the Board, improvements in internal control procedures and risk management. The Chairman of the Executive Risk Management Committee ("ERMC") updated the ARMC quarterly on the risk profiles and risk management of the Group.
- b. Reviewed the effectiveness of the risk management system and the risk assessment reports from the ERMC. Significant risk issues were summarized and communicated to the Board for consolidation and resolution.

### Compliance and others

- a. Reviewed the related party transaction and recurrent related party transactions of revenue or trading nature entered into by the Group.
- b. Reviewed the Corporate Governance Overview Statement, Audit and Risk Management Committee Report, Statement on Risk Management and Internal Control and Sustainability Report, pursuant to the MMLR and the MCCG 2021 and recommended the same to the Board for approval.
- c. Reviewed the half-yearly report on the status of compliance of the Group's Code of Business Conduct to ensure any non-compliance is properly investigated.
- d. Received quarterly reports on whistleblowing issues to ensure actions were taken on any cases reported. No whistleblowing cases were reported during the financial year under review.
- e. Reviewed and considered the proposed divestment of ENRA Kimia group to ensure the divestment was in the best interest of the Company, fair, reasonable and on normal commercial terms, and not detrimental to the interest of the minority shareholders of the Company.
- f. Reviewed the revised TOR of the ARMC incorporating the new amendments to the MCCG 2021 and MMLR and recommended the same to the Board for approval.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

## INTERNAL AUDIT FUNCTION

The Group's internal audit ("IA") function is an integral part of the assurance framework and it is performed in-house. The IA function operates within the framework of the International Professional Practices Framework by the Institute of Internal Auditors as stated in its Internal Audit Charter, which is approved by the ARMC. The IA function provides the ARMC with independent opinions of processes, risk exposure and systems of internal control using the Committee of Sponsoring Organization of the Treadway Commission Internal Control – Integrated Framework as a guide.

The IA function assess the Group's Internal Control system according to the following five interrelated control elements:

- Control Environment
- Risk Assessment
- Control Activity
- Information & Communication
- Monitoring

The IA team which is headed by Mr. Melvinder Singh Harminder Singh, who is a Chartered Member of the Institute of Internal Auditors Malaysia with more than 20 years of experience in internal auditing with the assistance of a team, independently reviews the key business processes, and reports to the ARMC on a quarterly basis. The ARMC reviews and evaluates the key audit issues raised by the IA team and ensures that appropriate and prompt remedial action is taken by management. During the financial year, the IA team conducted the audit work as per the 2022 Annual Audit Plan approved by the ARMC on 22 February 2021. This annual schedule outlines the governance, risk and controls of the key business processes of the Group's property development subsidiaries as well as oil and gas services subsidiaries' activity. The ARMC reviewed and approved the schedule providing the IA team with the mandate in assessing the adequacy and effectiveness of the Group's internal control system.

In line with the approved annual review schedule by the ARMC, the IA team completed four routine audits, and three follow-up audits. The area of coverage is aligned with the Group's Risk Management assessment covering Finance, Human Resource, Corporate Governance and Compliance, Operations, Procurement, Inventory, General IT, Sales, Marketing, Fraud Assessment and Project Management.

The costs incurred for the internal audit function in respect of the financial year ended 31 March 2022 amounted to RM367,581.80 (2021:RM375,135).

This ARMC report is made in accordance with the resolution of the Board of Directors duly passed on 23 June 2022.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

**Paragraph 15.26(b) of the MMLR of Bursa Securities requires the Board of Directors of a public listed company to include in its annual report a statement about the state of risk management and internal control of the listed issuer as a group.**

The Bursa Securities' Statement on Risk Management & Internal Control (Guidelines for Directors of Listed Issuers) provides guidance for compliance with these requirements. The MCCG 2021 issued by the Securities Commission Malaysia requires the Board of Directors to establish a sound risk management framework and internal control system. ENRA's Board is pleased to provide the following statement that is prepared in accordance with the "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers" endorsed by Bursa Securities which outlines the nature and scope of the Risk Management and Internal Control of ENRA during the financial year under review.

## BOARD RESPONSIBILITY

The Board acknowledges the importance of sound internal controls and risk management practices to safeguard various stakeholders' interest and to address all key risks, which the Board considers relevant and material to ENRA and its subsidiaries operations. The Board affirms its overall responsibility for the Group's system of internal control and risk management process, which includes the establishment of an appropriate control environment and framework. The Board is also responsible for reviewing the effectiveness, adequacy and integrity of those systems. These systems are designed to manage rather than to eliminate any risk that may impact the Group arising from non-achievement of the Group's policies, goals and objectives. Such system provides reasonable but not absolute, assurance against material misstatement or loss.

The Group has in place an ongoing process for identifying, evaluating, monitoring and managing the operating and financial controls affecting the achievement of its business objectives throughout the financial reporting period. The Internal Audit Department plays a role in this respect. The process is reviewed quarterly by the ARMC. The Board maintains ultimate responsibility over the Group's system of internal control and risk management process that it has delegated to the EXCO for implementation. The Internal Audit function is to provide reasonable assurance that the designed controls are in place and are operating as intended.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## RISK MANAGEMENT

The Board reviewed the risk management processes in place within the Group with the assistance of the ERM and the Internal Audit Department.

The ERM meets on a quarterly basis to deliberate on risks identified, controls and risk mitigation strategies arising from the risk assessment process conducted. The key elements of the Group's risk management framework are as follows:

- The ERM, which is chaired by the President & Group Chief Executive Officer, and comprises the Executive Directors as members and the Head of Internal Audit as the risk coordinator. The ERM is entrusted with the terms of reference and the responsibility to identify and communicate to the Board the key risks the Group faces, their changes, and Management's actions and plans to manage such risks.
- The Risk Management policy guide and manual, which outlines the corporate policy and framework on risk management for the Group and offers practical guidance on risk management issues. Pursuant to the said policy, the Risk Management Units ("RMUs") at the subsidiary/operational level were set up to report quarterly to the ERM.
- The Enterprise Risk Management ("ERM") framework, which is defined as methods and processes used by an organisation to manage risks and seize opportunities related to the achievement of their objectives. The key feature of this framework is a risk governance structure comprising three lines of defence with established and clear functional responsibilities and accountabilities of the management of risk.

The process owners and heads of various business units and supporting functions are the first level of defence and are accountable for all risks assumed under their respective areas of responsibility in line with the Risk Management policy and guidelines.

The RMUs with the oversight by the ERM provides the second line of defence. Quarterly updates on risk management are given by the heads of the various business units and certain supporting functions to the RMUs, which in turn reports the ERM. The ERM provides direction and has an oversight role in the risk management process. At its scheduled quarterly meetings, the ERM appraises and assesses the efficiency of the controls and progress of actions plans taken to mitigate and monitor the risk management exposure of the Group. The ERM also monitors the progress and status of the risk management activities, as well as raises issues of concern for Management's attention.

The Internal Audit function provides the third line of defence. The function reports directly to the ARMC and provides independent assurance of the adequacy and reliability of risk management processes and system of internal control and ensures compliance with risk related requirements.

- Within the framework, there is an established and structured process for the identification, assessment, communication, monitoring as well as continual review of risks and effectiveness of risk mitigation strategies and controls of the business units and supporting functions with regular communication between business units and the RMUs that in turn reports to the ERM. The current methodology is adopted from the elements of Risk Management ISO 31000 (2015). The level of risk tolerance is expressed through the use of a risk impact and likelihood matrix with an established risk parameter boundary set by the ERM and approved by the Board. The parameters define risks that are deemed to exceed or are close to exceeding the risk tolerance, and those which are not. There is an established risk treatment guidance on the action to be taken for the relevant risks.
- The Group's activities are exposed to a variety of risks, including operating, financial, strategic management, human resource, information technology, procurement, political, sales and marketing and safety, health and environmental risk. The Group has relevant policies and guidelines on risk reporting and disclosure that cover those risks.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

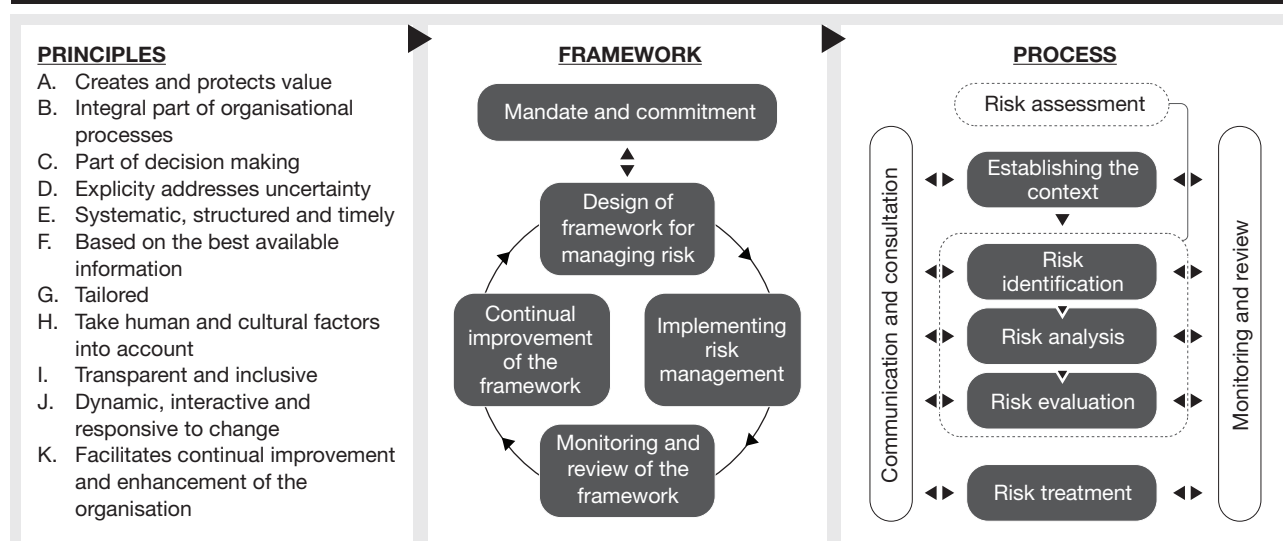
## RISK MANAGEMENT (CONT'D)

### Management of Significant Risks

The management of significant risks identified for the financial year ended 31 March 2022 are as follows:

1. Strategic Management Risk in managing the expansion of business portfolio. Expanding the business database through diversification, expansion, education & transfer of knowledge in this ever challenging & changing environment. The Group managed this risk through managing customer and main contractor expectations for EES & ESPM for the PCML project.
2. Environmental Risk exist as we operate within both the oil & gas and property development industries/segments which are exposed to compliance risk of laws and regulations including those relating to health, safety, environment and compliance with the various certifications required for those industries. We currently have various preventive maintenance programs through Quality, Health, Safety and Environment ("QHSE") daily & weekly monitoring for ESPM, periodic reviews of compliance with the applicable rules, regulations and standards with the regulators for the other projects, training and development, and processes for risk assessment and monitoring and control based on ISO 9001 quality objectives.
3. Project Completion Risk, as the Group has businesses both locally and overseas and is exposed to various risks relating to delay and price changing in procuring materials, project management risks, occupational health and safety risk, political risk, credit risk, foreign exchange risk, sub-contractor's financial management, payment issuance and communication barriers. The Group has embarked on a more stringent role in terms of monitoring projects both locally and overseas such as appointing key people as project managers and regular monitoring, liaising with Group Legal on the terms of contracts and reporting on project progress to the EXCO.
4. The Board and Management of ENRA monitor the impact to the Group's business and operations arising from the COVID-19 pandemic as per the EXCO-approved Business Continuity Plan ("BCP") which was implemented on 27 February 2020. In respect to this, the Group engages with customers, suppliers, transporters and forwarders to minimise movement and supply disruptions. The Group ensures that its business and operation will continue amidst the COVID-19 pandemic but undertakes to adhere to various standard operating procedures as set by the government as well as the BCP. To this end, various safety and health measures were implemented at the Group's premises such as implementation of a "work from home" policy, split team arrangements, sanitisation and daily temperature screening. The Group will continue to monitor the ripple effects of the pandemic and to assure the safety of its employee and those in its supply chain.

### RISK MANAGEMENT BASED ON ISO 31000

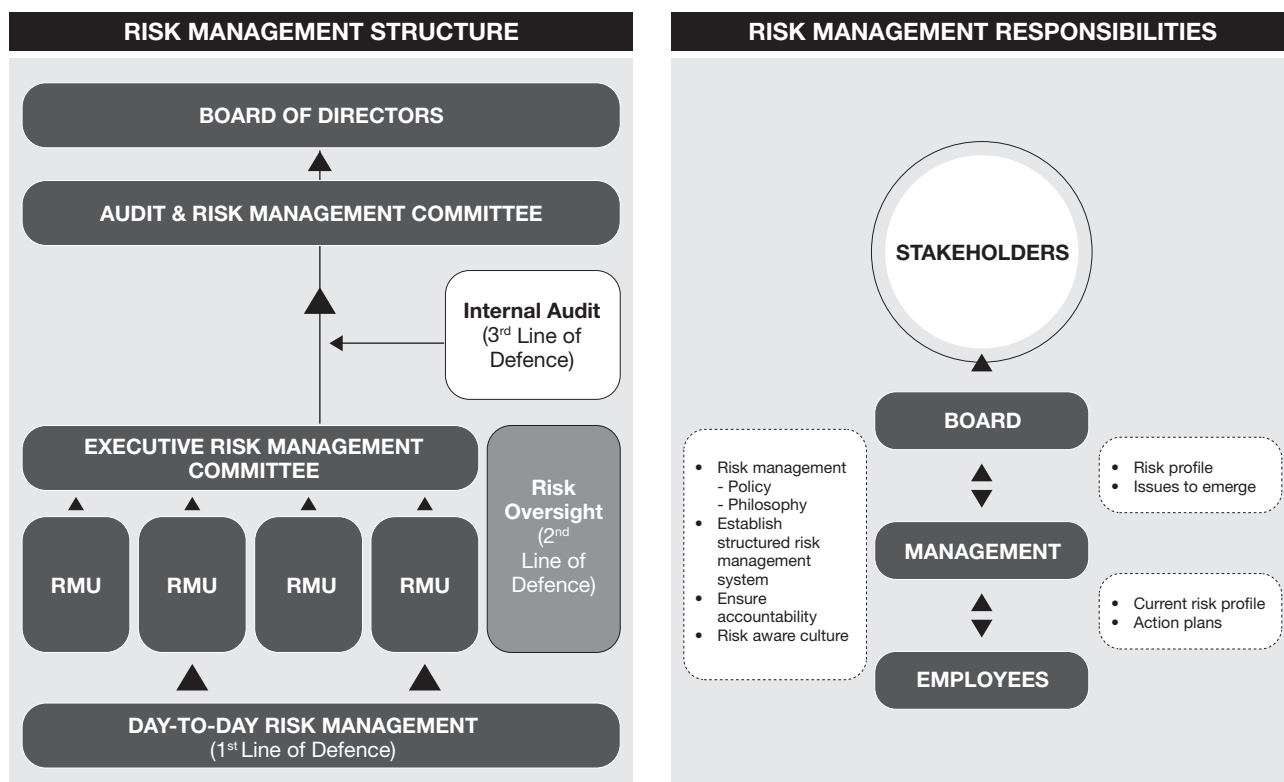




# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## RISK MANAGEMENT STRUCTURE

The Risk Management process is a collective responsibility which works by engaging every level of the organisation as risk owners of their immediate sphere of risks (as shown in the Risk Management Responsibilities diagram below). The Group aims to approach risk management from a top down and bottom up approach (holistically). This is managed through an oversight structure involving the Board, ARMC, Internal Audit, ERM and RMUs.



## INTERNAL AUDIT FUNCTION

At present, there is an in-house Internal Audit function. The Internal Audit function operates within the framework of the International Professional Practices Framework by the Institute of Internal Auditors as stated in its Internal Audit Charter, which is approved by the ARMC. The Internal Audit function provides the ARMC with independent opinions of processes, risk exposure and systems of internal control using the “Committee of Sponsoring Organization of the Treadway Commission’s Internal Control – Integrated Framework” as a guide.

The Internal Audit function assesses the Group’s Internal Control system according to the following five interrelated control elements:

- Control Environment
- Risk Assessment
- Control Activity
- Information & Communication
- Monitoring



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

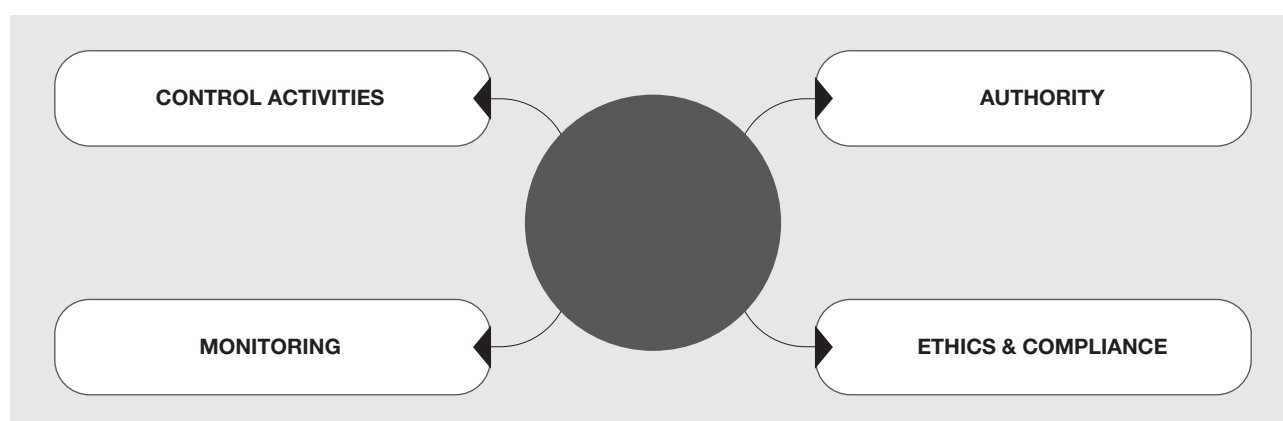
## INTERNAL AUDIT FUNCTION (CONT'D)

The Internal Audit team is headed by Mr. Melvinder Singh Harminder Singh, Group Head of Compliance & Governance, who is a Chartered Member of the Institute of Internal Auditors Malaysia with more than 20 years of experience in internal auditing. Mr. Melvinder and his team independently reviews the key business processes, and reports to the ARMC on a quarterly basis. The ARMC reviews and evaluates the key audit issues raised by the Internal Audit function and ensures that appropriate and prompt remedial action is taken by the Management. During the financial year ended 31 March 2022, the Internal Audit function prepared and presented an annual audit review schedule to the ARMC. This annual schedule outlines the key business processes of the Group's governance process, head office departments, property development subsidiaries as well as oil & gas services. The ARMC had reviewed and approved the schedule providing the Internal Audit team with the mandate in assessing the adequacy and effectiveness of the Group's internal control system.

In line with the approved annual review schedule by the ARMC, the Internal Audit team completed four routine audits, and two follow-up audits. The area of coverage is aligned with the Group's Risk Management assessment covering Finance, Human Resource, Operations, Procurement, Inventory, General IT, Sales, Marketing, Fraud Assessment and Project Management.

## CONTROL ENVIRONMENT AND STRUCTURE

Apart from the above, the other key elements of the Group's internal control system include:



- a. Policies, procedures and limits of authority make up the Control Activities and Authority.
  - Formally documented internal policies, standards and procedures are in place and periodically updated to reflect and enhance operational efficiency. Cases of non-compliance with policies and procedures are reported to the ARMC.
  - Formally defined delegation of responsibilities to committees of the Board and to Management including organisation structures and appropriate authority levels.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## CONTROL ENVIRONMENT AND STRUCTURE (CONT'D)

- b. Strategies, business planning, budgeting and reporting fulfills the Monitoring role.
- Bi-weekly comprehensive information provided to Management for monitoring through the Management Committee Meeting and monthly Management Financial Review meetings on performance against strategic plans covering all key financial, operational, oil & gas and property venture indicators.
  - Detailed budgeting process requiring all business units to review their budgets periodically. The budgets are discussed and approved by the President & Group Chief Executive Officer and subsequently the Board.
  - The Group Chief Financial Officer provides the Board with quarterly financial information. This effective reporting system exposes significant variances against the budget. Key variances are followed up by Management and reported to the Board.
- c. Risk assessment ensures that all are in Compliance and meet the Ethical requirements of the ethics code.
- The President & Group Chief Executive Officer, with the input from the ERMC, reviews with the ARMC on any significant changes in internal and external environment, which affects the Group's risk profile.

## CODE OF BUSINESS ETHICS SIGN OFF BY EMPLOYEES AND EXCO

The Group communicates the Code of Business Conduct to its employees upon their employment. The Code of Business Conduct reinforces the Group's core value on integrity by providing guidance on moral and ethical behaviour that is expected from all employees in following applicable laws, policies, standards and procedures. Every six months, the employees and EXCO of the Group confirm compliance via the Code of Business Conduct Questionnaire for disclosure of any irregularities or breach of the Code of Business Conduct. The feedback from the Code of Business Conduct Questionnaire is considered by the EXCO and further deliberated by the ARMC. There were no irregularities or breaches in this financial year.

## GROUP VENDOR CODE OF CONDUCT

There is a Group Vendor Code of Conduct, which sets standards of business practice that generally applies to all vendors of the Group. The areas of coverage in the Vendor Code of Conduct are Professional Conduct and Business Ethics, Compliance with Laws, Rules and Regulations, Human Rights and Labour, Anti-Corruption/Anti Competition, Conflict of Interest, Health Safety and Environment, Confidentiality and maintenance of Documentations and Records. All vendors need to acknowledge the Vendor Code of Conduct. Acknowledgement of the Code is a pre-requisite in all of the Group's contracts for supply. Through the acceptance of a purchase order, letter of award, contract or agreement or performance of any obligation to and agreed by the Group, Vendors shall commit and are deemed to have committed themselves to complying with the Code.

## WHISTLEBLOWING POLICY

A Whistleblowing Policy is established to provide appropriate communication and feedback channels which facilitate whistleblowing in a transparent and confidential manner to enable employees and stakeholders and where applicable, members of the public, to raise genuine concerns about possible improprieties, improper conduct or other malpractices within the Group in an appropriate way.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## ANTI CORRUPTION POLICY

With the passing of the Malaysian Anti-Corruption Act (Amendment) Bill 2018 by the Malaysian Parliament on 4 April 2018, a new Section 17A was added to this Act which makes the corporate entity liable for the conduct of any person associated with the commercial organisation who corruptly gives, agree to give, promises or offers to any person gratification with the intent to secure business or an advantage for the commercial organisation. In line with the new Section, ENRA has taken steps to enhance the Adequate Measures, by formulating an Anti- Corruption policy which has been approved by the Board, a series of seminars and trainings (both external and internal), a gap analysis on the Standard Operating Policies & Procedures' and reinforcing them, dialogues, awareness through articles and quizzes, corruption risk management in its risk profiles, continuous training of staff on corruption prevention, and continuous monitoring and review by Group Internal Audit.

## REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

The external auditors have performed limited assurance procedures on this Statement of Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide (AAPG 3), Guidance for Auditors on Engagement and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants for inclusion in the Annual Report of the Group for the financial year ended 31 March 2022, and reported to the Board that nothing has come to their attention that caused them to believe the statement intended to be included in the Annual Report is not prepared in all material respects, in Accordance with the disclosures required by paragraph 41 and 42 of the said Guidelines, nor is the Statement of Risk Management and Internal Control factually inaccurate.

## BOARD ASSURANCE

For the financial year under review, the Board is satisfied and is of the view that the risk management and internal control systems in place for the year under review and up to the date of issuance of the financial statements is adequate and effective and there are no material losses resulting from significant weaknesses that require separate disclosure in the Annual Report.

The Board has also received assurances from the Executive Directors, President & Group Chief Executive Officer and the Group's Chief Financial Officer that to the best of their knowledge, the Group's risk management and internal control systems are operating adequately and effectively, in all material aspects, based on the risk management and internal control systems of the Group. Nevertheless, the Board together with the Management of the Group is continuously taking measures to improve the policies and processes to further strengthen the key elements of risk management and internal control systems. This Statement on Risk Management and Internal Control is made in accordance with a resolution of the Board duly passed on 23 June 2022.

## ADDITIONAL COMPLIANCE INFORMATION

### UTILISATION OF PROCEEDS

The Company had at its Extraordinary General Meeting held on 22 October 2021 obtained its shareholders' approval for the proposed divestment by ENRA Energy of its entire equity interest in ENRA Kimia to Ekopintar Sdn. Bhd. and Hextar Global Berhad for a cash consideration of RM50.0 million ("Proposed Divestment").

The Proposed Divestment was completed on 30 November 2021.

As at 16 June 2022, the Company has utilised the total gross proceeds of RM50 million, as detailed in the following table:

Proposed Utilisation of Proceeds	Proposed Utilisation RM '000	Actual Utilisation RM '000	Balance RM '000	Estimated timeframe for utilisation from the date of receipt of proceeds
Capital expenditure and future investments	16.35	2.4	13.95	Within 36 months
Working capital	15.00	15.00	–	Within 24 months
Special Dividend	10.00	10.00	–	Fully utilised
Repayment of borrowings	8.00	8.00	–	Fully utilised
Defray estimated expenses for the Proposed Divestment	0.65	0.65	–	Fully utilised
<b>TOTAL</b>	<b>50.00</b>	<b>36.05</b>	<b>13.95</b>	

### AUDIT AND NON-AUDIT FEES

The amount of remuneration received and receivable by the Company's auditors, or a firm or corporation affiliated to the Company's auditors for services rendered to the Group and the Company for the financial year under review are as follows:

	Group RM'000	Company RM'000
<b>Statutory Audit Fees:</b>		
By the Company's auditors	108	53
<b>Non-Audit Fees:</b>		
By the Company's auditors	97	26
By affiliated company of the Company's auditors (tax-related)	24	10
	121	36
<b>Total</b>	<b>229</b>	<b>89</b>

The non-audit fees are for recurring permissible services comprises tax compliance fees, transfer pricing documentation preparation, review of Statement of Risk Management and Internal Control and half yearly financial statement reviews.

## ADDITIONAL COMPLIANCE INFORMATION

### **MATERIAL CONTRACTS INVOLVING INTERESTS OF THE DIRECTORS OR MAJOR SHAREHOLDERS OF THE COMPANY**

There were no material contracts entered into by the Group involving the interest of the directors and major shareholders of the Company, which were still subsisting as at the end of financial year or which were entered into since the end of the previous financial year.

### **EMPLOYEES SHARE SCHEME ("ESS")**

The Company's ESS comprising an employees' share option scheme and an employees' share grant plan was approved by the shareholders at the EGM held on 9 February 2018. The ESS came into effect on 12 February 2018 and shall be in force until 12 February 2028. The ESS is the only share scheme of the Company in existence during the financial year ending 31 March 2022.

On 1 June 2022, ENRA made an offer of 6,100,000 ESOS Options under the ESS ("1st Award") to the eligible directors and employees of ENRA and its subsidiaries, of which 3,200,000 ESOS Options were allocated to the Board of ENRA. As at 16 June 2022, none of the ESOS Options under the 1st Award have been accepted yet and, as such, no option or share grant has been awarded to any person pursuant to the ESS.

# STATEMENT OF DIRECTORS' RESPONSIBILITIES

## IN RELATION TO THE AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act, 2016 ("Act") to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the Group as at the end of the financial year, and of the results, financial performance and cash flows of the Group and of the Company for the financial year.

The Directors consider that, in preparing the financial statements, the Group and the Company have consistently applied appropriate accounting policies on a going concern basis, supported by reasonable judgments and estimates that are prudent, and in compliance with all applicable Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Act and the MMLR of Bursa Securities.

The Directors have general responsibility for ensuring that the Group and the Company keep proper accounting records, which disclosure with reasonable accuracy the financial position of the Company and the Company and for taking such steps as are reasonably open to them to ensure that proper internal controls are in place to safeguard the assets of the Group and the Company and to prevent and detect fraud and other irregularities.

This Statement is made in accordance with the resolution of the Board dated 23 June 2022.

# FINANCIAL SECTION

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# DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2022.

## PRINCIPAL ACTIVITIES

The Company is principally engaged in property investment, investment holding, management services activities and sale of completed properties.

The principal activities and details of the subsidiaries are disclosed in Note 6 to the financial statements. There have been no significant changes in the nature of these activities during the financial year except for those disclosed in Note 6 to the financial statements.

## RESULTS

	Group RM'000	Company RM'000
Profit for the financial year from:		
- continuing operations	5,596	10,796
- discontinued operations	569	–
Profit for the financial year	6,165	10,796
Attributable to:		
Equity holders of the Company	7,319	10,796
Non-controlling interests	(1,154)	–
	6,165	10,796

## DIVIDEND

On 2 December 2021, the Board of Directors has declared a special single tier interim dividend of 7.4 sen per share in respect of the financial year ended 31 March 2022 amounting to RM9.98 million. The dividend was paid on 28 December 2021.

The Board of Directors does not recommend the payment of any final dividend in respect of the financial year ended 31 March 2022.

## RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

## ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.



# DIRECTORS' REPORT

## TREASURY SHARES

As at 31 March 2022, the Company held 1,289,400 treasury shares at a total cost of RM1,199,540.

## WARRANTS 2020/2025

On 7 January 2021, the Company listed and quoted 44,971,973 Warrants pursuant to the Issuance of Free Warrants on the basis of one (1) Warrant for every three (3) existing shares held in the Company.

The Warrants are constituted by the Deed Poll dated 8 December 2020 ("Deed Poll").

Salient features of the Warrants are as follows:

- (a) Each Warrant entitles the registered holder thereof ("Warrant holder(s)") to subscribe for one (1) new ordinary share in the Company at an exercise price of RM1.00 during the 5-year period expiring on 26 December 2025 ("Exercise Period");
- (b) Any Warrant not exercised upon expiry of the Exercise Period will thereafter lapse and cease to be valid for any purpose;
- (c) The Exercise Price and/or the number of the unexercised Warrant shall, from time to time be adjusted, calculated or determined by the Board in consultation with an approved adviser appointed by the Company and certified by the auditors of the Company, in accordance with the provisions of the Deed Poll;
- (d) The Warrant Holders shall not be entitled to participate in any rights, allotment, dividends and/or other forms of distributions which may be declared, made or paid, where the entitlement date of which precedes the date of allotment of the new Company Shares. The Warrant Holders are not entitled to any voting rights in any general meeting of the Company or to participate in any form of distribution and/or offer of securities in the Company unless otherwise resolved by the shareholders of the Company or the Warrant Holders (or any of them) become shareholders of the Company by exercising their Warrants; and
- (e) If a resolution is passed for a members' voluntary winding-up of the Company, or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with one or more companies, then:
  - (i) for the purposes of such winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which the Company is the continuing corporation) to which the registered Warrant Holder (or some other persons designated by them for such purpose by special resolution) shall be a party, the terms of such winding-up, compromise or arrangement shall be binding on all the registered Warrant Holders; and
  - (ii) in any other case, every Warrant Holder shall be entitled, upon and subject to the provisions of the Deed Poll, at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding up of the Company or within six (6) weeks after the granting of the court order approving the compromise or arrangement, by the irrevocable surrender of his/her Warrants to the Company, submitting the exercise form duly completed together with payment of the relevant exercise money, to elect to be treated as if he had immediately prior to the commencement of such winding-up, compromise or arrangement (as the case may be), exercised the exercise rights represented by such Warrants to the extent specified in the relevant exercise form and be entitled to receive out of the assets of the Company which would be available in liquidation if he/she had on such date been the holder of the new Company Shares to which he/she would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly.

There was no exercised of Warrant during the financial year ended 31 March 2022.

# DIRECTORS' REPORT

## DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

### Directors of the Company

Datuk Ali bin Abdul Kadir	
Tan Sri Dato' Kamaluddin bin Abdullah*	
Kok Kong Chin*	
Tan Sri Dato' Seri Shamsul Azhar bin Abbas	
Dato' Wee Yaw Hin @ Ong Yaw Hin*	
Loh Chen Yook	
Tunku Afwida binti Tunku Abdul Malek	(Appointed on 8 March 2022)
Dato' Mazlin bin Md Junid*	(Resigned on 30 November 2021)
Datuk Anuar bin Ahmad	(Resigned on 8 March 2022)

\* These Directors of the Company were also the Directors of certain subsidiaries of the Company.

### Other Directors of the Company's subsidiaries undertakings (as defined in Section 253 of the Companies Act 2016)

Dato' Jasmy bin Ismail  
 Dato' Yau Kok Seng  
 Tam Yet Shyan  
 Dato' Idzham Mohd Hashim bin Zahrain Mohd Hashim  
 Ahmad Zaki bin Ahmad Zainuddin  
 Faizul bin Zainol  
 Lau Lee Hoong  
 Anthony Ho Yin Kan  
 Sin Wai Ling  
 Amir Ruqaimi bin Ngah  
 Ami Akhram bin Abdullah

In accordance with Clause 18.3 of the Company's Constitution, Datuk Ali bin Abdul Kadir and Dato' Wee Yaw Hin @ Ong Yaw Hin shall retire from the Board of the Company at the forthcoming Annual General Meeting ("AGM") and, being eligible, offer themselves for re-election.

Tunku Afwida binti Tunku Abdul Malek, who was appointed as a Director on 8 March 2022 shall retire from the Board of the Company at the forthcoming AGM and, being eligible, offer herself for re-election in accordance with Clause 18.2 of the Company's Constitution.

# DIRECTORS' REPORT

## DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in ordinary shares, and/or warrants of the Company and of its related corporations during the financial year ended 31 March 2022 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

	←	Number of ordinary shares		→
	Balance as at 1.4.2021	Bought	Sold	Balance as at 31.3.2022
<b><u>Shares in the Company</u></b>				
<b>Direct interests</b>				
Datuk Ali bin Abdul Kadir	4,900,000	–	–	4,900,000
Tan Sri Dato’ Kamaluddin bin Abdullah	5,357,629	–	–	5,357,629
Kok Kong Chin	3,000,000	–	–	3,000,000
Dato’ Wee Yaw Hin @ Ong Yaw Hin	1,000,000	–	–	1,000,000
Loh Chen Yook	5,191,300	375,000	–	5,566,300

### Indirect interests

Tan Sri Dato' Kamaluddin bin Abdullah	35,362,000	–	–	35,362,000
Tan Sri Dato' Seri Shamsul Azhar bin Abbas	2,000,000	–	–	2,000,000

	←	Number of warrants 2020/2025		→
	Balance as at 1.4.2021	Bought	Sold	Balance as at 31.3.2022
<b><u>Warrants in the Company</u></b>				
<b>Direct interests</b>				
Datuk Ali bin Abdul Kadir	1,633,333	–	(110,000)	1,523,333
Tan Sri Dato’ Kamaluddin bin Abdullah	1,785,876	–	–	1,785,876
Kok Kong Chin	1,000,000	–	–	1,000,000
Dato’ Wee Yaw Hin @ Ong Yaw Hin	333,333	–	–	333,333
Loh Chen Yook	1,523,766	5,475,799	–	6,999,565

### Indirect interests

Tan Sri Dato' Kamaluddin bin Abdullah	11,787,332	–	–	11,787,332
Tan Sri Dato' Seri Shamsul Azhar bin Abbas	666,666	–	–	666,666

By virtue of his interests in the ordinary shares of the Company, Tan Sri Dato' Kamaluddin bin Abdullah is also deemed to be interested in the ordinary shares of all the subsidiaries during the financial year to the extent the Company has an interest under Section 8(4) of the Companies Act 2016.

None of the other Directors holding office at the end of the financial year held any interest in the ordinary shares and options over ordinary shares of the Company and of its related corporations during the financial year.

# DIRECTORS' REPORT

## DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits disclosed as Directors' remuneration in Note 34 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he or she is a member, or with a company in which he or she has a substantial financial interest except for any benefits which may be deemed to have arisen from the transactions disclosed in Note 34(b) to the financial statements.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

## DIRECTORS' REMUNERATION

The details of Directors' remuneration are disclosed in Note 34(c) to the financial statements.

## INDEMNIFYING DIRECTORS, OFFICERS OR AUDITORS

The Group and the Company effected Directors' liability insurance during the financial year to protect the Directors of the Group and of the Company against potential costs and liabilities arising from claims brought against the Directors.

During the financial year, the total amount insurance premium paid for the Directors and the officers of the Group and of the Company is RM19,000.

There were no indemnity given to or insurance effected for the auditors of the Group and of the Company during the financial year.

## OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

### (I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
  - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that there are no bad debts to be written off and that adequate provision had been made for doubtful debts; and
  - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature other than as disclosed in Note 4(c) and Note 6(c) to the financial statements.

# DIRECTORS' REPORT

## OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (CONT'D)

### (II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
  - (i) which would necessitate the writing off of bad debts or render the amounts of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent;
  - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
  - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
  - (i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.
  - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

### (III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in the report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

# DIRECTORS' REPORT

## **SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR**

Significant events during the financial year are disclosed in Note 39 to the financial statements.

## **SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE REPORTING PERIOD**

Significant event subsequent to the end of the reporting period is disclosed in Note 40 to the financial statements.

## **AUDITORS**

The auditors, BDO PLT (LLP0018825-LCA & AF 0206), have expressed their willingness to continue in office.

The details of auditors' remuneration of the Company and its subsidiaries for the financial year ended 31 March 2022 are disclosed in Note 26 to the financial statements.

Signed on behalf of the Board in accordance with a resolution of the Directors.

**Tan Sri Dato' Kamaluddin bin Abdullah**  
Director

**Tan Sri Dato' Seri Shamsul Azhar bin Abbas**  
Director

Kuala Lumpur  
23 June 2022

# STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251 (2) OF THE COMPANIES ACT 2016

In the opinion of the Directors, the financial statements set out on pages 88 to 170 have been drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2022 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

**Tan Sri Dato' Kamaluddin bin Abdullah**  
Director

**Tan Sri Dato' Seri Shamsul Azhar bin Abbas**  
Director

Kuala Lumpur  
23 June 2022

# STATUTORY DECLARATION

PURSUANT TO SECTION 251 (1) (B) OF THE COMPANIES ACT 2016

I, Amir Ruqaimi Bin Ngah (CA 38748), being the Officer primarily responsible for the financial management of ENRA Group Berhad, do solemnly and sincerely declare that the financial statements set out on pages 88 to 170 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly )  
declared by the above named at )  
Kuala Lumpur this )  
23 June 2022 )

**Amir Ruqaimi Bin Ngah**

Before me,

**Razman bin Mohd Akhir**  
Commissioner of oaths  
Malaysia  
A-W 523

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ENRA GROUP BERHAD  
(INCORPORATED IN MALAYSIA)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of ENRA Group Berhad, which comprise the statements of financial position as at 31 March 2022 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 88 to 170.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2022 and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act 2016 in Malaysia.

### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence and Other Ethical Responsibilities*

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### (1) Impairment assessment of the carrying amount of property, plant and equipment

As at 31 March 2022, the carrying amount of the Group's marine equipment included in property, plant and equipment was RM58.98 million as disclosed in Note 4 to the financial statements of which an impairment of RM9.01 million was recognised during the financial year.

The Group estimated the recoverable amount of the marine equipment using the higher of fair value less costs of disposal ("FVLCS") and Value in Use ("VIU"). For recoverable amount based on FVLCS, the Group engaged an independent valuer to assess the fair value of the marine equipment. The Group applies the VIU model based on present value of forecasted future cash flows for the cash generating unit ("CGU") to determine if there is any impairment loss required on the carrying amount of property, plant and equipment.

We determined this to be a key audit matter as impairment assessment of the carrying amount of marine equipment involved significant judgements and estimates by the Directors about the future results and key assumptions applied to cash flow projections of the CGU in determining its recoverable amount. These key assumptions include forecast growth in future revenues and operating profit margins, as well as determining an appropriate pre-tax discount rate.



# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ENRA GROUP BERHAD  
(INCORPORATED IN MALAYSIA)

## Key Audit Matters (Cont'd)

### (1) Impairment assessment of the carrying amount of property, plant and equipment (Cont'd)

#### **Audit response**

Our audit procedures to assess management's impairment testing based on VIU included the following:

- (a) enquired with business development teams to obtain an understanding of the status of negotiation and the likelihood of securing new revenue contracts, including timing of commencement and expected value of revenue contracts;
- (b) compared cash flow projections against recent performance and assessed the reasonableness of the key assumptions used by management in the cashflow forecast, projections by comparing to terms and conditions stipulated in the charter party agreements, available industry data, taken into consideration of comparability and market factors;
- (c) assessed whether the assumptions on the operating costs are supportable when compared to the past trends;
- (d) evaluated the discount rate used to determine the present value of the cash flows and whether the rate used reflects the current market assessments of the time value of money and risks specific to the asset; and
- (e) performed sensitivity analysis to stress test the key assumptions used by management in the impairment model.

Our audit procedures to assess management's impairment testing based on FVLCS are as follows:

- (a) Considered the independence, competence, capabilities and objectivity of the external valuer; and
- (b) Obtained an understanding of the methodology adopted by the independent valuer in estimating the fair value of the marine equipment and assessed whether such methodology is consistent with those used in the industry.

In addition, we also evaluated the adequacy of the Group's disclosure of each key assumption on which the Group has based its cash flow projections and to which the CGU's recoverable amounts is most sensitive as disclosed in Note 4 to the financial statements.

### (2) Impairment assessment of inventories

As at 31 March 2022, property held for sales of the Group were RM32.18 million and completed properties of the Group and Company were RM4.60 million respectively, as disclosed in Note 10 to the financial statements.

We determined this as a key audit matter because of the judgement made by the Directors in determining an appropriate inventory valuation which involved predicting the amount of future demand from customers. Besides that, judgements are also required to identify slow moving and obsolete inventories which need to be written down to their net realisable value with consideration of the impact COVID-19 pandemic.

#### **Audit response**

Our audit procedures included the following:

- (a) assessed the unsold units based on enquiries with management including corroborative enquiries with the key management personnel on the plans to address slow moving inventories, incorporating the impact of the COVID-19 pandemic;
- (b) for those unsold completed units which have recent sale transactions, we tested the carrying amount of these unsold completed units, by comparing to the recent selling prices for similar units stated in the signed sale and purchase agreements, net of discounts given; and

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ENRA GROUP BERHAD  
(INCORPORATED IN MALAYSIA)

## Key Audit Matters (Cont'd)

### (2) Impairment assessment of inventories (Cont'd)

#### *Audit response (Cont'd)*

Our audit procedures included the following: (Cont'd)

- (c) for those unsold completed units which did not have recent sale transactions, we obtained the recent transacted prices of comparable development units in similar or nearby locations, and adjusted for the size of the units.

### (3) Impairment assessment of the carrying amounts of costs of investments in subsidiaries

As at 31 March 2022, costs of investments in subsidiaries of the Company were RM38.58 million as disclosed in Notes 6 to the financial statements.

Management used the VIU approach based on present value of forecasted future cash flows for the subsidiaries to determine if there is any impairment loss required on the costs of investments in subsidiaries.

We determined this to be a key audit matter because the determination of whether or not an impairment loss is necessary involved significant judgements and estimates by the Directors about the future results and key assumptions applied to cash flow projections of the subsidiaries in determining their recoverable amounts. These key assumptions include forecast growth in future revenue, as well as determining an appropriate pre-tax discount rate.

#### *Audit response*

Our audit procedures included the following:

- (a) compared cash flow projections against recent performance and assessed the reasonableness of the key assumptions used by management in the cashflow forecast and projections by comparing to actual growth rates;
- (b) compared prior period budgets and forecasts to current period's actual results to assess the historical accuracy of the forecasts;
- (c) assessed the suitability of the pre-tax discount rate used by each subsidiary by comparing to the weighted average cost of capital of the Group and relevant risk factor incorporating the impact of the COVID-19 pandemic; and
- (d) performed sensitivity analysis to stress test the key assumptions used by management in the impairment model.

### (4) Impairment assessment of the carrying amounts of amounts due from subsidiaries

As at 31 March 2022, amounts due from subsidiaries of the Company amounted to RM78.09 million as disclosed in Notes 11 to the financial statements.

We determined this to be a key audit matter because it requires management to exercise significant judgement in determining the probability of default by subsidiaries, appropriate forward looking information, significant increase in credit risk with incorporating the impact of the COVID-19 pandemic and estimated cash flows recoverable in worst-case scenarios.

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ENRA GROUP BERHAD  
(INCORPORATED IN MALAYSIA)

## Key Audit Matters (Cont'd)

### (4) Impairment assessment of the carrying amounts of amounts due from subsidiaries (Cont'd)

#### *Audit response*

Our audit procedures included the following:

- (a) recomputed probability of default using historical data and forward looking information adjustment, incorporating the impact of the COVID-19 pandemic applied by the Company;
- (b) assessed the appropriateness of the indicators of significant increase in credit risk applied by the management and the resultant basis for classification of exposure into respective stages;
- (c) challenged management on the basis for determining cash flows recoverable in worst case scenarios, where applicable; and
- (d) assessed actual loss events subsequent to the end of reporting period for its relationship with the indicators of significant increase in credit risk applied by management.

## Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, IFRSs and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ENRA GROUP BERHAD  
(INCORPORATED IN MALAYSIA)

## Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of the Group and of the Company.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguard applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ENRA GROUP BERHAD  
(INCORPORATED IN MALAYSIA)

## Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 6 to the financial statements.

## Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**BDO PLT**  
LLP0018825-LCA & AF 0206  
Chartered Accountants

Kuala Lumpur  
23 June 2022

**Lee Wee Hoong**  
03316/07/2023 J  
Chartered Accountant

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2022

		Group		Company	
	Note	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	4	65,381	100,524	164	213
Right-of-use assets	5	9,110	11,538	66	41
Investments in subsidiaries	6	–	–	38,580	66,198
Intangible assets	7	400	8,112	–	–
Deferred tax assets	9	–	247	–	–
Trade and other receivables	11	–	123	–	–
Contract assets	12	276	390	–	–
		75,167	120,934	38,810	66,452
Current assets					
Inventories	10	72,072	63,853	4,602	4,560
Trade and other receivables	11	18,629	15,134	79,196	62,929
Contract assets	12	1,046	3,259	–	–
Derivative assets	13	–	553	–	–
Current tax assets		124	738	–	378
Cash and bank balances and short term funds	14	20,287	35,657	9,883	7,875
		112,158	119,194	93,681	75,742
TOTAL ASSETS		187,325	240,128	132,491	142,194

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2022

		Group		Company	
	Note	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to equity holders of the Company</b>					
Share capital	15	144,744	144,744	144,744	144,744
Redeemable convertible preference shares equity	16	2,886	2,886	–	–
Treasury shares	17	(1,199)	(1,199)	(1,199)	(1,199)
Non-distributable reserves	18	532	816	–	–
Accumulated losses		(35,656)	(32,991)	(13,010)	(13,822)
		111,307	114,256	130,535	129,723
Non-controlling interests		2,087	3,965	–	–
<b>TOTAL EQUITY</b>		<b>113,394</b>	<b>118,221</b>	<b>130,535</b>	<b>129,723</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Deferred tax liabilities	9	–	704	–	–
Trade and other payables	19	22,833	13,658	–	–
Borrowings	20	–	8,393	–	–
Lease liabilities	5	1,495	1,739	–	–
Redeemable convertible preference shares	16	6,959	6,465	–	–
		31,287	30,959	–	–
<b>Current liabilities</b>					
Trade and other payables	19	37,244	35,891	1,894	4,081
Derivative liability	13	–	344	–	344
Contract liability	12	962	–	–	–
Borrowings	20	3,877	53,346	–	8,000
Lease liabilities	5	125	922	62	46
Current tax liabilities		436	445	–	–
		42,644	90,948	1,956	12,471
<b>TOTAL LIABILITIES</b>		<b>73,931</b>	<b>121,907</b>	<b>1,956</b>	<b>12,471</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>187,325</b>	<b>240,128</b>	<b>132,491</b>	<b>142,194</b>

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

		Group		Company	
	Note	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Continuing operations</b>					
Revenue	24	<b>62,707</b>	55,302	<b>24,391</b>	–
Cost of sales		<b>(42,854)</b>	(38,609)	–	–
Gross profit		<b>19,853</b>	16,693	<b>24,391</b>	–
Other income		<b>21,043</b>	1,428	<b>4,347</b>	7,363
Net reversal on impairment of financial assets		<b>3</b>	3,838	–	–
Administrative expenses		<b>(32,284)</b>	(26,772)	<b>(17,565)</b>	(22,309)
Other expenses		<b>(385)</b>	(126)	<b>(57)</b>	(56)
Lease interest expense		<b>(143)</b>	(152)	<b>(6)</b>	(10)
Finance costs	25	<b>(1,838)</b>	(2,647)	<b>(302)</b>	(330)
Profit/(Loss) before tax	26	<b>6,249</b>	(7,738)	<b>10,808</b>	(15,342)
Tax expense	27	<b>(653)</b>	(315)	<b>(12)</b>	–
Profit/(Loss) for the financial year		<b>5,596</b>	(8,053)	<b>10,796</b>	(15,342)
<b>Discontinued operations</b>					
Profit for the financial year from discontinued operations	6(c)	<b>569</b>	3,518	–	–
Profit/(Loss) for the financial year		<b>6,165</b>	(4,535)	<b>10,796</b>	(15,342)
Other comprehensive income /(loss):					
<b>Items that may be reclassified subsequently to profit or loss</b>					
Foreign currency translations, net of tax		<b>50</b>	(202)	–	–
Total comprehensive income/(loss)		<b>6,215</b>	(4,737)	<b>10,796</b>	(15,342)

The accompanying notes form an integral part of the financial statements.



# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

		Group		Company	
	Note	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Profit/(Loss) attributable to:					
Equity holders of the Company		<b>7,319</b>	(6,360)	<b>10,796</b>	(15,342)
Non-controlling interests		<b>(1,154)</b>	1,825	–	–
		<b>6,165</b>	(4,535)	<b>10,796</b>	(15,342)
Total comprehensive income /(loss) attributable to:					
Equity holders of the Company		<b>7,035</b>	(5,915)	<b>10,796</b>	(15,342)
Non-controlling interests		<b>(820)</b>	1,178	–	–
		<b>6,215</b>	(4,737)	<b>10,796</b>	(15,342)
<b>Earnings/(Loss) per ordinary share attributable to equity holders of the Company (sen):</b>					
From continuing operations		<b>5.00</b>	(7.32)		
From discontinued operations		<b>0.42</b>	2.61		
Basic	29	<b>5.42</b>	(4.71)		
From continuing operations		<b>5.00</b>	(7.32)		
From discontinued operations		<b>0.42</b>	2.61		
Diluted	29	<b>5.42</b>	(4.71)		

The accompanying notes form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	Non-Distributable				Distributable			Total attributable to equity holders of the Company RM'000	Non- controlling interests RM'000	Total equity RM'000
		Share capital RM'000	Redeemable convertible preference shares RM'000	Exchange translation reserve RM'000	Treasury shares RM'000	Accumulated losses RM'000					
Group		144,744	2,886	816	(1,199)	(32,991)			114,256	3,965	118,221
Balance as at 1 April 2021											
Profit for the financial year		-	-	-	-	7,319			7,319	(1,154)	6,165
Other comprehensive income, net of tax		-	-	(284)	-	-			(284)	334	50
Total comprehensive income		-	-	(284)	-	7,319			7,035	(820)	6,215
Transactions with owners											
Dividends to equity holders of the Company	30	-	-	-	-	(9,984)			(9,984)	-	(9,984)
Repayment of capital contribution to non-controlling interests	6(f)	-	-	-	-	-			-	(1,058)	(1,058)
Total transactions with owners		-	-	-	-	(9,984)			(9,984)	(1,058)	(11,042)
Balance as at 31 March 2022		144,744	2,886	532	(1,199)	(35,656)			111,307	2,087	113,394

The accompanying notes form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

Group	Note	Non-Distributable			Distributable			Total attributable to equity holders of the Company RM'000	Non- controlling interests RM'000	Total equity RM'000
		Share capital RM'000	Redeemable convertible preference shares RM'000	Exchange translation reserve RM'000	Treasury shares RM'000	Accumulated losses RM'000				
<b>Balance as at 1 April 2020</b>		144,744	2,886	371	(1,199)	(24,977)		121,825	2,440	124,265
Loss for the financial year		-	-	-	-	(6,360)		(6,360)	1,825	(4,535)
Other comprehensive loss, net of tax		-	-	445	-	-		445	(647)	(202)
Total comprehensive loss		-	-	445	-	(6,360)		(5,915)	1,178	(4,737)
<b>Transactions with owners</b>										
Dividends to equity holders of the Company	30	-	-	-	-	(1,686)		(1,686)	-	(1,686)
Net additional interests in subsidiaries		-	-	-	-	32		32	(53)	(21)
Additional capital contribution from non-controlling interests	6(f)	-	-	-	-	-		-	400	400
Total transactions with owners		-	-	-	-	(1,654)		(1,654)	347	(1,307)
<b>Balance as at 31 March 2021</b>		144,744	2,886	816	(1,199)	(32,991)		114,256	3,965	118,221

The accompanying notes form an integral part of the financial statements.

# STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

Company	Note	Non-distributable		Distributable	Total Equity RM'000
		Share capital RM'000	Treasury shares RM'000	Retained earnings/ (Accumulated losses) RM'000	
<b>Balance as at 1 April 2020</b>		144,744	(1,199)	3,206	146,751
Loss for the financial year		–	–	(15,342)	(15,342)
Other comprehensive income, net of tax		–	–	–	–
Total comprehensive loss		–	–	(15,342)	(15,342)
<b>Transaction with owners</b>					
Dividends	30	–	–	(1,686)	(1,686)
<b>Balance as at 31 March 2021/ 1 April 2021</b>		<b>144,744</b>	<b>(1,199)</b>	<b>(13,822)</b>	<b>129,723</b>
Profit for the financial year		–	–	10,796	10,796
Other comprehensive income, net of tax		–	–	–	–
Total comprehensive income		–	–	10,796	10,796
<b>Transaction with owners</b>					
Dividends	30	–	–	(9,984)	(9,984)
<b>Balance as at 31 March 2022</b>		<b>144,744</b>	<b>(1,199)</b>	<b>(13,010)</b>	<b>130,535</b>

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

		Group		Company	
	Note	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit/(Loss) before tax					
Continuing operations		<b>6,249</b>	(7,738)	<b>10,808</b>	(15,342)
Discontinued operations		<b>808</b>	4,340	–	–
Adjustments for:					
Impairment loss on goodwill	7	–	8,536	–	–
Impairment loss on trade receivables	11(i)	–	3	–	–
Impairment loss on investment in subsidiaries	6(g)	–	–	<b>2,526</b>	11,701
Impairment loss on property, plant and equipment	4(c)	<b>9,006</b>	–	–	–
Fair value gain on short term funds	26	<b>(14)</b>	(8)	<b>(14)</b>	(8)
Reversal of impairment loss on trade receivables	11(i)	<b>(3)</b>	(3,841)	–	–
Property, plant and equipment written off	4	–	299	–	–
Inventories written down	10(c)	<b>241</b>	68	–	–
Depreciation of property, plant and equipment	4	<b>7,614</b>	7,449	<b>34</b>	279
Amortisation of right-of-use assets	5	<b>715</b>	1,675	<b>121</b>	284
Amortisation of intangible assets	7	<b>199</b>	289	–	–
Lease concession	5	–	(59)	–	(11)
Fair value loss on derivatives	13(c)	<b>553</b>	16	–	532
Loss/(Gain) on disposal of property, plant and equipment	26	<b>69</b>	(144)	<b>69</b>	(1)
Gain on early termination of lease assets	5	–	(64)	–	–
Gain on disposal of associate	26	–	(130)	–	–
Gain on disposal of subsidiaries	6(c)	<b>(19,588)</b>	–	–	–
Gain on dilution of non-controlling interest in subsidiaries		–	(53)	–	–
Unrealised gain on foreign exchange	26	<b>(633)</b>	(204)	–	–
Interest expense:					
- Unwinding of discount (RCPS)	16	<b>494</b>	459	–	–
- Unwinding of lease interest	5	<b>225</b>	219	<b>6</b>	10
- Borrowings		<b>1,344</b>	4,018	<b>302</b>	315
Dividend income		–	–	<b>(24,391)</b>	–
Interest income		<b>(235)</b>	(292)	<b>(3,612)</b>	(3,289)
Operating profit/(loss) before changes in working capital		<b>7,044</b>	14,838	<b>(14,151)</b>	(5,530)

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

		Group	Company	
Note	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES (Cont'd)</b>				
Operating profit/(loss) before changes in working capital (Cont'd)	<b>7,044</b>	14,838	<b>(14,151)</b>	(5,530)
Decrease/(Increase) in contract assets	<b>2,220</b>	(3,649)	–	–
Increase in inventories	<b>(13,072)</b>	(16,902)	<b>(42)</b>	–
(Increase)/Decrease in trade and other receivables	<b>(10,674)</b>	61,475	<b>63</b>	4,448
Increase in contract liabilities	<b>962</b>	–	–	–
Increase/(Decrease) in trade and other payables	<b>16,217</b>	(153)	<b>48</b>	(726)
Cash generated from/(used in) operations	<b>2,697</b>	55,609	<b>(14,082)</b>	(1,808)
Tax paid	<b>(512)</b>	(1,583)	–	–
Tax refunded	<b>634</b>	–	<b>366</b>	–
Net cash from/(used in) operating activities	<b>2,819</b>	54,026	<b>(13,716)</b>	(1,808)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	<b>235</b>	292	<b>3,612</b>	3,289
(Placement)/Uplift of fixed deposits pledged	<b>(674)</b>	6,594	–	–
Proceeds from disposal of property, plant and equipment	<b>11</b>	153	<b>11</b>	2
Proceeds from disposal of subsidiaries, net of cash	6(c) <b>41,896</b>	–	–	–
Proceeds from disposal of associate	26(a) <b>–</b>	130	–	–
Acquisition of:				
- subsidiaries, net of cash	6(d) <b>–</b>	(54)	–	–
- property, plant and equipment	4(e) <b>(1,504)</b>	(19,257)	<b>(65)</b>	(77)
Contingent consideration paid	19(d) <b>(2,456)</b>	(1,896)	–	–
Advances from/(to) subsidiaries	<b>–</b>	–	<b>6,197</b>	(20,547)
Net cash from/(used in) investing activities	<b>37,508</b>	(14,038)	<b>9,755</b>	(17,333)

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

		Group	Company		
	Note	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Interest paid		(1,344)	(4,018)	(302)	(315)
Dividends received		-	-	24,391	-
Dividends paid to:					
- equity holders of the Company	30	(9,984)	(1,686)	(9,984)	(1,686)
Repayment of lease liabilities	5(e)	(675)	(1,607)	(136)	(281)
(Repayment)/Additional of capital contribution from non-controlling interests		(1,058)	400	-	-
Drawdown of other borrowings		6,753	16,571	-	8,000
Drawdown of term loan		-	810	-	-
Repayments of:					
- other borrowings		(8,630)	(45,323)	(8,000)	(4,000)
- term loans		(39,912)	(18,290)	-	(5,000)
Net cash (used in)/from financing activities		(54,850)	(53,143)	5,969	(3,282)
Net (decrease)/increase in cash and cash equivalents		(14,523)	(13,155)	2,008	(22,423)
Cash and cash equivalents at beginning of financial year		30,510	43,457	5,775	28,198
Effects of exchange rate changes on cash and cash equivalents		64	208	-	-
Cash and cash equivalents at end of financial year	14(h)	16,051	30,510	7,783	5,775

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

Reconciliation of liabilities arising from financial activities:

	Other borrowings (Note 20)		Term loans (Note 22)		Lease liabilities (Note 5)	
	Group RM'000	Company RM'000	Group RM'000	Company RM'000	Group RM'000	Company RM'000
At 1 April 2021	10,076	8,000	50,078	–	2,661	46
Cash flows	(1,877)	(8,000)	(39,912)	–	(675)	(136)
Non-cash flows:						
- Additions	–	–	–	–	146	146
- Unwinding of interest	–	–	–	–	225	6
- Unrealised forex exchange	–	–	(125)	–	683	–
- Disposal of subsidiaries	(6,829)	–	(7,534)	–	(1,420)	–
At 31 March 2022	1,370	–	2,507	–	1,620	62
At 1 April 2020	38,828	4,000	63,314	5,000	3,796	328
Cash flows	(28,752)	4,000	(17,480)	(5,000)	(1,607)	(281)
Non-cash flows:						
- Additions	–	–	–	–	935	–
- Termination	–	–	–	–	(457)	–
- Unwinding of interest	–	–	–	–	219	10
- Lease concession	–	–	–	–	(59)	(11)
- Effect of foreign currency	–	–	–	–	(166)	–
- Term loan arrangement for property, plant and equipment	–	–	4,244	–	–	–
At 31 March 2021	10,076	8,000	50,078	–	2,661	46

The accompanying notes form an integral part of the financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 1. CORPORATE INFORMATION

ENRA Group Berhad (“the Company”) is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office and principal place of business of the Company is located at D3-U6-15, Block D3, Solaris Dutamas, No.1, Jalan Dutamas 1, 50480 Kuala Lumpur.

The consolidated financial statements for the financial year ended 31 March 2022 comprise the Company and its subsidiaries. These financial statements are presented in Ringgit Malaysia (“RM”), which is also the functional currency of the Company. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 23 June 2022.

## 2. PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding, investment services activities and sale of completed properties. The principal activities of the subsidiaries are set out in Note 6 to the financial statements. There have been no significant changes in the nature of these activities during the financial year except for those disclosed in Note 6 to the financial statements.

## 3. BASIS OF PREPARATION

The financial statements of the Group and of the Company set out on pages 88 to 170 have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards (“IFRSs”) and the provisions of the Companies Act 2016 in Malaysia.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 41.1 to the financial statements.

The Group and Company has also early adopted Amendment to MFRS 16 *Covid-19-Related Rent Concessions beyond 30 June 2021* (Amendment to MFRS 16 *Leases*) in the current financial year and elected to apply the practical expedient to all rent concessions relating to leases with similar characteristics and similar circumstances. Adoption of these Standards did not have any material effect in the financial performance or position of the Group and Company.

The financial statements of the Group and the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

#### 4. PROPERTY, PLANT AND EQUIPMENT

Group	Balance as at 1.4.2021 RM'000	Additions RM'000	Reclassifi- cation RM'000	Disposal RM'000	Impairment RM'000	Disposal of subsidiary (Note 6) RM'000	Depreciation charge for the year RM'000	Exchange adjustment RM'000	Balance as at 31.3.2022 RM'000
<b>Carrying amount</b>									
Freehold land	4,845	-	-	-	-	(4,726)	-	(119)	-
Building	332	-	-	-	-	(408)	(31)	107	-
Furniture, fittings, renovation and office equipment	1,028	184	36	(79)	-	(775)	(239)	(5)	150
Computer hardware and software	121	164	-	(1)	-	(133)	(55)	(5)	91
Motor vehicles	185	125	#	-	-	(201)	(87)	(22)	-
Plant and machinery	10,385	1,031	7,721	-	-	(11,816)	(1,143)	(18)	6,160
Marine equipment	73,349	-	-	-	(9,006)	-	(6,059)	696	58,980
Capital work in progress	10,279	-	(10,145)*	-	-	(122)	-	(12)	-
	100,524	1,504	(2,388)	(80)	(9,006)	(18,181)	(7,614)	622	65,381
<div> <div>←</div> <div>At 31.3.2022</div> <div>→</div> </div>									
				Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment RM'000	Carrying amount RM'000		
Freehold land				-	-	-	-		-
Building				-	-	-	-		-
Furniture, fittings, renovation and office equipment				252	(102)	-	150		150
Computer hardware and software				416	(325)	-	91		91
Motor vehicles				-	-	-	-		-
Plant and machinery				7,622	(1,462)	-	6,160		6,160
Marine equipment				79,930	(11,944)	(9,006)	58,980		58,980
Capital work in progress				-	-	-	-		-
				88,220	(13,833)	(9,006)	65,381		65,381

# Reclassification of motor vehicle from right-of-use asset with RM nil carrying amount

\* Included in the reclassification of capital work in progress is an amount of RM2,388,000 reclassified to inventories

## NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

#### 4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

[illegible]

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company 2022	Balance as at 1.4.2021 RM'000	Additions RM'000	Reclassi- fication RM'000	Disposal RM'000	Depreciation charge for the year RM'000	Balance as at 31.3.2022 RM'000
<b>Carrying amount</b>						
Furniture, fittings, renovation and office equipment	187	61	–	(79)	(24)	145
Motor vehicle	–	–	#	–	–	–
Computer hardware and software	26	4	–	(1)	(10)	19
	213	65	–	(80)	(34)	164

# Reclassification of motor vehicle from right-of-use asset with nil carrying amount

	At 31.3.2022		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Furniture, fittings, renovation and office equipment	234	(89)	145
Computer hardware and software	297	(278)	19
	531	(367)	164

Company 2021	Balance as at 1.4.2021 RM'000	Additions RM'000	Disposal RM'000	Depreciation charge for the year RM'000	Balance as at 31.3.2022 RM'000
<b>Carrying amount</b>					
Furniture, fittings, renovation and office equipment	407	51	(1)	(270)	187
Computer hardware and software	9	26	–	(9)	26
	416	77	(1)	(279)	213

	At 31.3.2021		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Furniture, fittings, renovation and office equipment	1,532	(1,345)	187
Computer hardware and software	797	(771)	26
	2,329	(2,116)	213

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (a) All items of property, plant and equipment are initially measured at cost. After initial recognition, property, plant and equipment except for freehold land is stated at cost less accumulated depreciation and any accumulated impairment losses.
- (b) Depreciation is calculated to write off the costs of the assets to their residual values on a straight line basis over their estimated useful lives. The principal depreciation rates and period are as follows:

Building	3%
Furniture, fittings, renovation and office equipment	10% - 33.33%
Computer hardware and software	20% - 33.33%
Motor vehicles	20%
Marine equipment	7%
Plant and machinery	10%

Freehold land has unlimited useful life and is not depreciated. Capital work-in-progress represent asset which is not ready to use. Capital work-in-progress are stated at cost and not depreciated until such time when the asset is available for use.

- (c) Expiration and subsequent non-renewal of a service agreement with a customer subsequent to the financial year ended 31 March 2022 in a Cash Generating Unit ("CGU") within the Energy Service operating segment caused the Group to assess the recoverable amount of the related marine equipment. The assessment led to the recognition of an impairment losses of RM9,006,000 for the Group during the financial year.

Recoverable amount was based on the higher of fair value less cost of disposal or value in use ("VIU"), and determined at the CGU of each asset.

- (i) Recoverable amount determined from VIU:

The Group estimated the recoverable amount for impaired marine equipment of RM52,098,000 based on the assumptions that replacement service agreement with another customer will be secured within the financial year ending 31 March 2023 or on a worst case scenario, disposal of these marine equipment at its fair value less cost to sell within the same financial year. Due to inherent uncertainty arising from the outcome of contract tendering process currently undertaken, the VIU is determined based on the following scenarios:

	2022	
	Worst case	Base case
<b>Key assumptions</b>		
Weightage	66%	34%
Cash flow projections period	1 year	5 years
Profit margin	48%	48%
Discount rate	4.9%	4.9%

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(c) (Cont'd)

(ii) Recoverable amount determined from fair value less costs of disposal:

The fair value of certain marine equipment was determined based on valuation performed by independent valuer based on comparable vessel and offshore floating assets.

No impairment was recognised as the recoverable amount of these marine equipment were higher than its carrying amount as at the end of the period.

Both fair value measurement and VIU were categorised as Level 3 fair value as defined in Note 36(c) to the financial statements.

(d) As at the end of the reporting period, certain marine equipment of the Group with a carrying amount of RM58,906,000 (2021: RM72,402,000) has been charged as securities for banking facilities granted to the Group as disclosed in Note 22(b) to the financial statements.

(e) During the financial year, the Group and the Company made the following cash payments to purchase property, plant and equipment:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Purchase of property, plant and equipment	1,504	23,501	65	77
Financed by term loans	–	(4,244)	–	–
Cash payments on purchase of property, plant and equipment	1,504	19,257	65	77

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group and the Company as lessee

(a) Right-of-use assets

Group	Leasehold land RM'000	Buildings RM'000	Motor vehicles RM'000	Office equipment RM'000	Marine equipment RM'000	Total RM'000
<b>Cost</b>						
<b>At 1 April 2020</b>	10,721	5,396	1,200	103	-	17,420
Addition	-	397	-	85	453	935
Derecognition upon expiration/Early termination	-	(1,065)	(110)	(140)	-	(1,315)
Exchange adjustment	-	20	-	-	-	20
<b>At 31 March 2021/1 April 2021</b>	<b>10,721</b>	<b>4,748</b>	<b>1,090</b>	<b>48</b>	<b>453</b>	<b>17,060</b>
Addition	-	146	-	-	-	146
Derecognition upon expiration/Early termination	-	(1,165)	-	-	-	(1,165)
Exchange adjustment	-	778	64	-	-	842
Disposal of subsidiary	(1,274)	(4,077)	(970)	(48)	-	(6,369)
Reclassification to property, plant and equipment	-	-	(184)	-	-	(184)
<b>At 31 March 2022</b>	<b>9,447</b>	<b>430</b>	<b>-</b>	<b>-</b>	<b>453</b>	<b>10,330</b>

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

### The Group and the Company as lessee (Cont'd)

#### (a) Right-of-use assets (Cont'd)

Group	Leasehold land RM'000	Buildings RM'000	Motor vehicles RM'000	Office equipment RM'000	Marine equipment RM'000	Total RM'000
<b>Accumulated amortisation</b>						
<b>At 1 April 2020</b>	269	3,555	923	94	-	4,841
Amortisation charged for the year	187	1,100	213	24	151	1,675
Derecognition upon expiration/Early termination	-	(751)	(101)	(70)	-	(922)
Exchange adjustment	-	(68)	(4)	-	-	(72)
<b>At 31 March 2021/1 April 2021</b>	<b>456</b>	<b>3,836</b>	<b>1,031</b>	<b>48</b>	<b>151</b>	<b>5,522</b>
Amortisation charged for the year	163	400	-	-	152	715
Derecognition upon expiration/Early termination	-	(1,165)	-	-	-	(1,165)
Exchange adjustment	-	-	-	-	-	-
Disposal of subsidiary	(65)	(2,708)	(847)	(48)	-	(3,668)
Reclassification to property, plant and equipment	-	-	(184)	-	-	(184)
<b>At 31 March 2022</b>	<b>554</b>	<b>363</b>	<b>-</b>	<b>-</b>	<b>303</b>	<b>1,220</b>
<b>Net carrying amount</b>						
<b>At 31 March 2021</b>	10,265	912	59	-	302	11,538
<b>At 31 March 2022</b>	<b>8,893</b>	<b>67</b>	<b>-</b>	<b>-</b>	<b>150</b>	<b>9,110</b>



# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

### The Group and the Company as lessee (Cont'd)

#### (a) Right-of-use assets (Cont'd)

Company	Building RM'000	Motor vehicle RM'000	Office equipment RM'000	Total RM'000
<b>Cost</b>				
<b>At 1 April 2020/31 March 2021</b>	1,164	184	334	1,682
Addition	146	–	–	146
Derecognition upon expiration/ Early termination	(1,164)	–	(334)	(1,498)
Reclassification to property, plant and equipment	–	(184)	–	(184)
<b>At 31 March 2022</b>	<b>146</b>	<b>–</b>	<b>–</b>	<b>146</b>
<b>Accumulated amortisation</b>				
<b>At 1 April 2020</b>	873	150	334	1,357
Amortisation charged for the year	250	34	–	284
<b>At 31 March 2021/1 April 2021</b>	<b>1,123</b>	<b>184</b>	<b>334</b>	<b>1,641</b>
Amortisation charged for the year	121	–	–	121
Derecognition upon expiration /Early termination	(1,164)	–	(334)	(1,498)
Reclassification to property, plant and equipment	–	(184)	–	(184)
<b>At 31 March 2022</b>	<b>80</b>	<b>–</b>	<b>–</b>	<b>80</b>
<b>Net carrying amount</b>				
<b>At 31 March 2021</b>	41	–	–	41
<b>At 31 March 2022</b>	<b>66</b>	<b>–</b>	<b>–</b>	<b>66</b>

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

### The Group and the Company as lessee (Cont'd)

#### (a) Right-of-use assets (Cont'd)

- (i) The right-of-use assets comprise leasehold land, buildings, motor vehicles, office equipment, marine equipment and vessel and they are initially recorded at cost.

Subsequent to initial recognition, the right-of-use assets are measured at cost less any accumulated amortisation, accumulated impairment losses and adjusted for any remeasurement of lease liabilities.

- (ii) The right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The lease terms of right-of-use assets are as follows:

Leasehold land	Up to 69 years
Buildings	2 to 5 years
Motor vehicles	5 years
Office equipment	3 to 5 years
Marine equipment	2 years

#### (b) Lease liabilities

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Non-current</b>				
Lease liabilities	1,495	1,739	–	–
<b>Current</b>				
Lease liabilities	125	922	62	46
<b>Total lease liabilities</b>	<b>1,620</b>	<b>2,661</b>	<b>62</b>	<b>46</b>
Represented by:				
Lease liabilities owing to financial institutions	–	72	–	2
Lease liabilities owing to non-financial institutions	1,620	2,589	62	44
<b>Total lease liabilities</b>	<b>1,620</b>	<b>2,661</b>	<b>62</b>	<b>46</b>

- (i) The lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the Group and the Company measure the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect lease payments made, and remeasuring the carrying amount to reflect any reassessment or lease modifications.

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

### The Group and the Company as lessee (Cont'd)

#### (b) Lease liabilities (Cont'd)

(ii) The movements of lease liabilities during the financial year are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>At beginning of financial year</b>	<b>2,661</b>	3,796	<b>46</b>	328
Addition	<b>146</b>	935	<b>146</b>	–
Interest charged	<b>225</b>	219	<b>6</b>	10
Lease payments	<b>(675)</b>	(1,607)	<b>(136)</b>	(281)
Lease concession	–	(59)	–	(11)
Derecognition upon expiration/ Early termination	–	(457)	–	–
Exchange adjustment	<b>683</b>	(166)	–	–
Disposal of subsidiary	<b>(1,420)</b>	–	–	–
<b>At end of financial year</b>	<b>1,620</b>	2,661	<b>62</b>	46

(iii) The weighted average incremental borrowing rate applied to the lease liabilities is 5.27% (2021: 5.27%).

(iv) The currency exposure profile of lease liabilities are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Ringgit Malaysia	<b>1,620</b>	2,379	<b>62</b>	46
Australian Dollar	–	282	–	–
	<b>1,620</b>	2,661	<b>62</b>	46

(c) The Group and the Company have certain leases of equipment and premises with lease term of 12 months or less, and low value leases of office equipment of RM20,000 and below. The Group and the Company apply the “short-term lease” and “lease of low-value assets” exemptions for these leases.

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

### The Group and the Company as lessee (Cont'd)

(d) The following are the amounts recognised in profit or loss:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Amortisation charge of right-of-use assets (included in cost of sales)	152	151	–	–
Amortisation charge of right-of-use assets (included in administration expenses)	563	1,524	121	284
Interest expense on lease liabilities	225	219	6	10
Expense relating to short-term leases (included in cost of sales)	–	5,722	–	–
Expense relating to short-term leases (included in administration expenses)	–	412	–	–
Expense relating to leases of low-value assets (included in administration expenses)	25	24	4	8
Variable lease payments arising from COVID-19 related rent concessions (included in administration expenses)	–	(59)	–	(11)
Gain arising from early termination	–	(64)	–	–
	<b>965</b>	<b>7,929</b>	<b>131</b>	<b>291</b>

(e) The following are the total cash outflows for leases as a lessee:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Included in net cash from operating activities:</b>				
Payment relating to short-term leases and low value assets	25	6,158	4	8
<b>Included in net cash from financing activities:</b>				
Payment of lease liabilities	675	1,607	136	281
<b>Total cash outflows for leases</b>	<b>700</b>	<b>7,765</b>	<b>140</b>	<b>289</b>

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 5. RIGHTS-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

### The Group and the Company as lessee (Cont'd)

- (f) In the previous financial year, the Group and the Company have received numerous forms of rent concessions from lessors as the Group and the Company were unable to operate for significant periods of time, which included rent forgiveness (e.g. reductions in rent contractually due under the terms of lease agreements). The impact is disclosed in Note 5(d) to the financial statements.

### The Group as a lessor

The Group has entered into lease agreements on certain asset for terms of four (4) years and renewable at the end of the lease period. The monthly rental consists of a fixed base rent.

Future minimum rentals receivable under agreement at the reporting date are as follows:

	2022 RM'000	Group 2021 RM'000
Less than one (1) year	2,349	33,928
One (1) to two (2) years	–	2,417
Two (2) to three (3) years	–	–
	<b>2,349</b>	<b>36,345</b>

## 6. INVESTMENTS IN SUBSIDIARIES

	2022 RM'000	Company 2021 RM'000
Unquoted equity shares, at cost	10,146	10,146
Less: Impairment losses	–	–
	<b>10,146</b>	<b>10,146</b>
Equity contributions to subsidiaries	42,661	67,753
Less: Accumulated impairment losses	(14,227)	(11,701)
	<b>38,580</b>	<b>66,198</b>

- (a) A subsidiary is an entity in which the Group and the Company are exposed, or have rights, to variable returns from its involvement with the subsidiary and have the ability to affect those returns through its power over the subsidiary.

An investment in subsidiary, which is eliminated on consolidation, is stated in the separate financial statements of the Company at cost less accumulated impairment losses, if any. Put options written over non-controlling interests on the acquisition of subsidiary shall be included as part of the cost of investment in the separate financial statements of the Company. Subsequent changes in the fair value of the written put options over non-controlling interests shall be recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

### (a) (continued)

Investments accounted for at cost shall be accounted for in accordance with MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* when they are classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with MFRS 5.

When control of a subsidiary is lost as a result of a transaction, event or other circumstance, the Group would derecognise all assets, liabilities and non-controlling interests at their carrying amount and to recognise the fair value of the consideration received. Any retained interest in the former subsidiary is recognised at its fair value at the date control is lost. The resulting difference is recognised as a gain or loss in profit or loss.

### (b) Equity contributions to subsidiaries are unsecured, interest-free and settlement is neither planned nor likely to occur in the foreseeable future for the purposes of providing the subsidiaries with a long term source of additional capital.

### (c) Changes in investment in subsidiaries during the financial year

#### Divestment of the entire issued share capital of ENRA Kimia Sdn Bhd ("ENRA Kimia") and its subsidiaries

On 23 July 2021, ENRA Energy Sdn. Bhd., a wholly-owned subsidiary of the Company had received and accepted a Letter of Offer ("LO") dated the same date from Hextar Global Berhad ("Hextar Global") and Ekopintar Sdn Bhd ("Ekopintar"), (collectively the "Acquirors") to acquire the entire issued share capital of its subsidiary, ENRA Kimia for a total cash consideration of RM50.00 million ("Purchase Consideration").

Ekopintar, is determined as a related party to the Company in view of Dato' Mazlin bin Md Junid ("Dato' Mazlin"), the then President and Group CEO of the Company, owning 50% of the issued and paid up share capital of Ekopintar and also a Director of Ekopintar. Subsequently, the Group's divestment of ENRA Kimia and its subsidiaries (collectively known as "ENRA Kimia Group") was approved by the Company's shareholders via the Company's Extraordinary General Meeting held on 22 October 2021.

The proposed divestment of ENRA Kimia Group was completed on 30 November 2021 in accordance with the terms and conditions of the agreements.

ENRA Kimia Group was not classified as held for sale as at 31 March 2021 and the comparative statement of profit or loss and other comprehensive income has been re-presented to show the discontinued operations separately from continuing operations. Management committed to a plan to sell ENRA Kimia Group upon receiving the offer in late July 2021.

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (c) Changes in investment in subsidiaries during the financial year (Cont'd)

Divestment of the entire issued share capital of ENRA Kimia Sdn Bhd ("ENRA Kimia") and its subsidiaries (Cont'd)

Profit attributable to the discontinued operations was as follows:

	2022 RM'000	Group 2021 RM'000
<b>Results of discontinued operations</b>		
Revenue	25,609	57,497
Expenses	(24,801)	(53,157)
Results from operating activities	808	4,340
Taxation	(239)	(822)
Results from operating activities, net of tax	569	3,518
Gain on sale of discontinued operations	19,588	–
Profit for the financial year	20,157	3,518

Details of the assets, liabilities and net cash inflow arising from the disposal of ENRA Kimia Sdn. Bhd. during the financial year ended 31 March 2022 are as follows:

	Note	As at date of disposal RM'000
<b>Assets/(Liabilities) disposed:</b>		
Property, plant and equipment	4	18,181
Right-of-use assets	5(a)	2,701
Intangible assets	7	7,513
Contract assets	12	107
Contract cost		360
Trade and other receivables		7,998
Inventories		5,488
Cash and cash equivalents		7,535
Deferred tax liabilities	9	(457)
Trade and other payables		(3,464)
Borrowing		(14,363)
Current tax liabilities		(336)
Lease liabilities	5(b)(ii)	(1,420)
Expenses relating to disposal of subsidiaries		569
Gain on disposal of subsidiaries		19,588
Purchase consideration		50,000
Payment of expenses relating to disposal of subsidiaries		(569)
Cash and cash equivalents disposed		(7,535)
Net inflow from disposal of subsidiaries		41,896

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (c) Changes in investment in subsidiaries during the financial year (Cont'd)

Divestment of the entire issued share capital of ENRA Kimia Sdn Bhd ("ENRA Kimia") and its subsidiaries (Cont'd)

The gain on disposal of subsidiaries of the Group during the financial year is as follows:

	<b>Group 2022 RM'000</b>
Total disposal proceeds	<b>50,000</b>
Carrying amount of ENRA Kimia's net asset at disposal date	<b>(29,843)</b>
Expenses relating to disposal of subsidiaries	<b>(569)</b>
<b>Gain on disposal of the subsidiaries</b>	<b>19,588</b>

- (d) Changes in investment in subsidiaries during the previous financial year

- (i) Internal restructuring of ENRA Icon Sdn Bhd ("EICON")

On 19 October 2020, the Company made an internal restructuring involving a transfer of 100% shares in EICON held by ENRA Oil & Gas Services Sdn. Bhd. ("EOGS") to Enra Land Sdn. Bhd. ("Eland") for a total cash consideration of RM100,000. EICON subsequently changed its name to Hamptons Homes Sdn. Bhd. ("HHSB") on 23 October 2020.

- (ii) Termination of Shareholders' Agreements in relation to investment in ENRA Nauticawt Sdn. Bhd. ("ENSB") and subsequent internal restructuring

On 21 October 2020, EOGS has entered into a Deed of Termination with AWT International (Decommissioning) Sdn. Bhd. ("AWT") to mutually rescind and terminate the Shareholders' Agreement dated 26 February 2016.

Following this, EOGS has acquired the balance 49% shares in ENSB from AWT for a cash consideration of RM54,033. ENSB effectively became a wholly owned subsidiary of EOGS from 26 October 2020, being the date when the transfer of shares was completed.

On 2 November 2020, EOGS made a transfer of its 100% shares in ENSB to ENRA Kimia for a total cash consideration of RM105,033. ENSB subsequently changed its name to ENRA Downstream Services Sdn. Bhd. on 8 December 2020.

- (iii) Internal restructuring of ENRA Energy Solution Sdn. Bhd. ("EESB")

On 7 January 2021, the Company made an internal restructuring involving a transfer of 100% shares in EESB to ENRA Energy Sdn Bhd. ("EESB") for a total consideration of RM5,001,000 in form of equity contribution to EESB.



# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(e) The details of the subsidiaries are as follows:

Name of company	Country of incorporate/ Principal place of business	Effective interest in equity		Principal activities
		2022 %	2021 %	
ENRA Labuan Sdn. Bhd.	Malaysia	100	100	Property development
ENRA Land Sdn. Bhd.	Malaysia	100	100	Investment holding
ENRA Energy Sdn. Bhd.	Malaysia	100	100	Investment holding
ENRA Engineering & Construction Sdn. Bhd.	Malaysia	100	100	Investment holding
<b>Subsidiaries of ENRA Energy Sdn. Bhd.</b>				
ENRA Oil & Gas Services Sdn. Bhd.	Malaysia	100	100	Provision of project management of engineering, procurement, construction and commissioning and decommissioning for multi-discipline in oil & gas industries
ENRA Energy Solutions Sdn. Bhd.	Malaysia	100	100	Provision of upstream and midstream infrastructure technology solution to the oil and gas industry
ENRA Kimia Sdn. Bhd.*	Malaysia	–	100	Trading on gas and chemical related services
<b>Subsidiaries of ENRA Oil &amp; Gas Services Sdn. Bhd.</b>				
ENRA SPM Sdn. Bhd.	Malaysia	60	60	Leasing and provision of related services
<b>Subsidiary of ENRA SPM Sdn. Bhd.</b>				
ENRA SPM Labuan Limited	Malaysia	60	60	Leasing services

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(e) The details of the subsidiaries are as follows: (Cont'd)

Name of company	Country of incorporate/ Principal place of business	Effective interest in equity		Principal activities
		2022 %	2021 %	
Subsidiary of ENRA Engineering and Construction Sdn. Bhd.				
ENRA Engineering & Fabrication Sdn. Bhd.	Malaysia	100	100	Business of engineering, procurement and construction of civil works, steel structure, mechanical, piping and electrical and instrumental installation
Subsidiary of ENRA Engineering & Fabrication Sdn. Bhd.				
ENRA IOL Sdn. Bhd.	Malaysia	51	51	Business of supplying and installing energy saving lighting products
Subsidiaries of ENRA Land Sdn. Bhd.				
ENRA Property (UK) Limited #	United Kingdom	100	100	Investment holding
Q Homes Sdn. Bhd.	Malaysia	51	51	Property development and trading
Hampton Homes Sdn. Bhd.	Malaysia	100	100	Property development and trading
Subsidiaries of Q Homes Sdn. Bhd.				
Prominent Archway Sdn. Bhd.	Malaysia	51	51	Intended business has yet to commence
Merpati TPG Sdn. Bhd.	Malaysia	51	51	Property development
Makmur Homes Sdn. Bhd.	Malaysia	51	51	Property development
DV Homes Sdn. Bhd.	Malaysia	51	51	Property development
BRP Homes Sdn. Bhd.	Malaysia	51	51	Property development

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(e) The details of the subsidiaries are as follows: (Cont'd)

Name of company	Country of incorporate/ Principal place of business	Effective interest in equity		Principal activities
		2022 %	2021 %	
Subsidiaries of ENRA Property (UK) Limited				
Fitzrovia Developments Limited #	United Kingdom	75	75	Property development
Abode Senior Living Ltd. *	United Kingdom	51	51	Property development
Subsidiaries of Abode Senior Living Ltd.				
Abode Caldecott Square Development Ltd. #	United Kingdom	51	51	Property development
Caldecott Square Rugby Ltd. #	United Kingdom	51	51	Property development
Subsidiaries of ENRA Kimia Sdn. Bhd.				
ENRA Kimia (Australia) Pty. Ltd. *	Australia	–	100	Investment holding
ENRA Power Systems Sdn. Bhd. *	Malaysia	–	100	Intended business has yet to commence
ENRA Downstream Services Sdn. Bhd. *	Malaysia	–	100	Intended business has yet to commence
Subsidiary of ENRA Kimia (Australia) Pty. Ltd.				
International Chemicals Engineering Pty. Ltd. *	Australia	–	100	Supplier of liquid odorant, dosing systems and servicing to gas delivery and storage systems

\* Subsidiary disposed during the financial year

# Subsidiary not audited by BDO Member firms

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(f) The subsidiaries of the Group that have material non-controlling interests ("NCI") are as follows:

	ENRA SPM Sdn. Bhd. Group RM'000	Fitzrovia Developments Limited RM'000	ENRA IOL Sdn. Bhd. RM'000	Abode Senior Living Ltd. Group RM'000	Q Homes Sdn. Bhd. Group RM'000
<b>2022</b>					
NCI percentage of ownership interest and voting interest	40%	25%	49%	49%	49%
Carrying amount of NCI	5,929*	(3,507)	1,009	(1,282)	(62)
(Loss)/Profit allocated to NCI	(110)	(87)	349	(1,210)	(96)
Total comprehensive income/(loss)	154	(66)	349	(1,161)	(96)
Dividends paid to NCI	—	—	—	—	—
<b>2021</b>					
NCI percentage of ownership interest and voting interest	40%	25%	49%	49%	49%
Carrying amount of NCI	6,833#	(3,441)	660	(121)	34
Profit/(Loss) allocated to NCI	1,986	(26)	44	(137)	(42)
Total comprehensive income/(loss)	1,376	(45)	44	(155)	(42)
Dividends paid to NCI	—	—	—	—	—

\* During the financial year, ESPM has made repayment capital contribution to NCI amounting to RM1,058,000

# In the previous financial year, the NCI has granted additional capital contribution to ESPM in the form of equity loan amounting to RM400,000.

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(f) The subsidiaries of the Group that have material non-controlling interests ("NCI") are as follows (Cont'd):

The summarised financial information before intra-group elimination are as follows:

	ENRA SPM Sdn. Bhd. Group RM'000	Fitzrovia Developments Limited RM'000	ENRA IOL Sdn. Bhd. RM'000	Abode Senior Living Ltd. Group RM'000	Q Homes Sdn. Bhd. Group RM'000
<b>2022</b>					
<b>Assets and liabilities</b>					
Non-current assets	65,292	–	424	–	34
Current assets	18,769	439	1,754	32,390	36,523
Non-current liabilities	–	–	–	–	(22,669)
Current liabilities	(66,902)	(2,903)	(119)	(35,370)	(8,483)
Net assets/(liabilities)	17,159	(2,464)	2,059	(2,980)	5,405
<b>Results</b>					
Revenue	49,920	–	6,917	–	2,675
Profit/(Loss) for the financial year	(275)	(350)	712	(2,469)	(194)
Total comprehensive income/(loss)	385	(265)	712	(2,369)	(194)
Cash flows from/(used in) operating activities	25,319	(161)	1,301	(1,092)	(2,745)
Cash flows from/(used in) investing activities	5,455	–	–	–	4,232
Cash flows (used in)/from financing activities	(34,606)	–	(90)	1,320	370
Net (decrease)/increase in cash and cash equivalents	(3,832)	(161)	1,211	228	1,857

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (f) The subsidiaries of the Group that have material non-controlling interests ("NCI") are as follows (Cont'd):

The summarised financial information before intra-group elimination are as follows (Cont'd):

	ENRA SPM Sdn. Bhd. Group RM'000	Fitzrovia Developments Limited RM'000	ENRA IOL Sdn. Bhd. RM'000	Abode Senior Living Ltd. Group RM'000	Q Homes Sdn. Bhd. Group RM'000
<b>2021</b>					
<b>Assets and liabilities</b>					
Non-current assets	80,506	–	–	–	17
Current assets	15,023	672	3,985	33,622	20,859
Non-current liabilities	–	–	–	–	(13,489)
Current liabilities	(75,783)	(2,871)	(2,638)	(34,233)	(7,319)
Net assets	19,746	(2,199)	1,347	(611)	68
<b>Results</b>					
Revenue	49,892	–	377	–	1,674
Profit/(Loss) for the financial year	4,965	(102)	90	(281)	(86)
Total comprehensive income/(loss)	3,440	(180)	90	(317)	(86)
Cash flows from/(used in) operating activities	36,213	(1,506)	1,923	(1,092)	(2,812)
Cash flows from/(used in) investing activities	6,322	–	(1,996)	–	(6)
Cash flows (used in)/from financing activities	(44,847)	349	(68)	1,320	3,204
Net (decrease)/increase in cash and cash equivalents	(2,312)	(1,157)	(141)	228	386

- (g) During the financial year, the Company recognised an impairment loss on investment in subsidiaries of RM2,526,000 (2021: RM11,701,000) due to decline in operations of certain subsidiaries as a result of the COVID-19 pandemic.

Adverse adjustments were made to the forecasted operating cash flows included in the value-in-use calculations. The recoverable amounts were determined using pre-tax discount rates of 10.0% (2021: 10.0%)

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 7. INTANGIBLE ASSETS

Group	Goodwill (Note 8) RM'000	Customer relationship RM'000	Trademark and trade names RM'000	Total RM'000
<b>Carrying amount</b>				
At 1 April 2021	4,404	2,126	1,582	8,112
Amortisation charge for the financial year	–	(199)	–	(199)
Disposal of subsidiary (Note 6)	(4,004)	(1,927)	(1,582)	(7,513)
At 31 March 2022	400	–	–	400
<b>At 31 March 2022</b>				
Cost	8,936	–	–	8,936
Accumulated amortisation	–	–	–	–
Accumulated impairment	(8,536)	–	–	(8,536)
Carrying amount	400	–	–	400
<b>Carrying amount</b>				
At 1 April 2020	12,940	2,415	1,582	16,937
Amortisation charge for the financial year	–	(289)	–	(289)
Impairment loss for the financial year	(8,536)	–	–	(8,536)
At 31 March 2021	4,404	2,126	1,582	16,937
<b>At 31 March 2021</b>				
Cost	12,940	2,883	1,582	17,405
Accumulated amortisation	–	(757)	–	(757)
Accumulated impairment	(8,536)	–	–	(8,536)
Carrying amount	4,404	2,126	1,582	8,112

Intangible assets are initially measured at cost. After initial recognition, intangible assets, excluding goodwill and trademark and trade names are carried at cost less accumulated amortisation and any accumulated impairment losses, if any. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are assessed for any indication that the asset may be impaired and are amortised on a straight line basis over their estimated economic useful lives, not exceeding ten (10) years. Intangible assets that have an indefinite useful life are tested annually for impairment or more frequently if events or changes in circumstances indicate that the intangible asset might be impaired.

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 8. GOODWILL ON CONSOLIDATION

		2022	Group 2021
	Note	RM'000	RM'000
At beginning of the financial year		4,404	12,940
Disposal of subsidiary		(4,004)	–
Impairment during the year		–	(8,536)
At end of the financial year	7	400	4,404

- (a) Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less accumulated impairment losses.

Goodwill is not amortised, but instead, it is reviewed for impairment at least annually and whenever events or changes in circumstances indicate that the carrying value may be impaired. This requires an estimation of the value-in-use of the subsidiaries to which goodwill is allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the subsidiaries and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

- (b) Impairment of goodwill

Goodwill has been allocated to the identified cash generating unit ("CGU") according to relevant operating segments based on the geographical location of customers as follows:

	2022	Group 2021
	RM'000	RM'000
Malaysia	400	400
Australia	–	4,004
	400	4,404



# NOTES TO THE FINANCIAL STATEMENTS

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## 8. GOODWILL ON CONSOLIDATION (CONT'D)

### (b) Impairment of goodwill (Cont'd)

For the purpose of impairment testing, the recoverable amount of a CGU is determined based on its value-in-use. The value-in-use is determined by discounting the pre-tax cash flows based on financial budgets prepared by the Group covering a five-year period with a terminal value based on the following key assumptions:

	2022 %	2021 %
Growth rates	5	5
Pre-tax discount rate	10	10

In the previous financial year, impairment of goodwill amounted to RM8,536,000 was recognised due to adverse adjustments made to the forecast operating cash flows included in the value-in-use calculation of Malaysia's subsidiaries due to COVID-19 pandemic.

Based on the annual impairment testing undertaken by the Group, no impairment losses were required for the carrying amounts of the goodwill assessed as at 31 March 2022 as their recoverable amounts were in excess of their carrying amounts.

### Sensitivity to changes in assumptions

The management is not aware of any reasonably possible change in the key assumptions on which management has based its determination of the CGU's recoverable that could cause further impairment loss on goodwill.

## 9. DEFERRED TAXATION

### (a) The deferred taxation are made up of the following:

Note	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
At beginning of the financial year	(457)	(502)	-	-
Recognised in profit or loss	-	56	-	-
Exchange adjustment	-	(11)	-	-
Disposal of subsidiary	6	457	-	-
At end of the financial year	-	(457)	-	-
Presented by:				
Deferred tax assets, net	-	247	-	-
Deferred tax liabilities, net	-	(704)	-	-
	-	(457)	-	-

# NOTES TO THE FINANCIAL STATEMENTS

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## 9. DEFERRED TAXATION (CONT'D)

- (b) The components and movements of deferred tax assets and liabilities during the financial year are as follows:

### Deferred tax assets of the Group

	Provision RM'000	Total RM'000
At 1 April 2020	225	225
Recognised in profit or loss	(18)	(18)
Exchange adjustment	40	40
At 31 March 2021/1 April 2021	<b>247</b>	<b>247</b>
Disposal of subsidiary	<b>(247)</b>	<b>(247)</b>
At 31 March 2022	-	-

### Deferred tax liabilities of the Group

	Property, plant and equipment RM'000	Right-of- use assets RM'000	Others RM'000	Total RM'000
At 1 April 2020	(253)	(586)	112	(727)
Recognised in profit or loss	(313)	407	(20)	74
Exchange adjustment	(32)	(19)	-	(51)
At 31 March 2021/1 April 2021	<b>(598)</b>	<b>(198)</b>	<b>92</b>	<b>(704)</b>
Disposal of subsidiary	<b>598</b>	<b>198</b>	<b>(92)</b>	<b>704</b>
At 31 March 2022	-	-	-	-

- (c) The amounts of temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Unutilised tax losses				
-Expires by 31 March 2029	<b>8,399</b>	14,166	<b>3,081</b>	3,081
-Expires by 31 March 2030	<b>9,111</b>	3,559	<b>3,041</b>	3,041
-Expires by 31 March 2031	<b>5,035</b>	4,838	<b>945</b>	945
-Expires by 31 March 2032	<b>10,789</b>	8,440	<b>2,285</b>	-
Unabsorbed capital allowances	<b>577</b>	491	<b>455</b>	403
Other deductible temporary differences	<b>(253)</b>	(200)	<b>(88)</b>	(58)
	<b>33,658</b>	31,294	<b>9,719</b>	7,412

# NOTES TO THE FINANCIAL STATEMENTS

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## 9. DEFERRED TAXATION (CONT'D)

(c) (Cont'd)

Deferred tax assets of the Company and certain subsidiaries have not been recognised in respect of these items as it is not probable that taxable profit of the Company and the subsidiaries would be available against which the deductible temporary differences can be utilised.

The unutilised tax losses which were previously allowed to be utilised for seven (7) consecutive years of assessments ("YAs") effective from YA2019 was extended to ten (10) consecutive YAs during the financial year.

The amount and availability of these items to be carried forward up to the periods as disclosed above are subject to the agreement of the respective local tax authorities.

## 10. INVENTORIES

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>At cost</b>					
Property held for sale		<b>32,181</b>	31,491	–	–
Completed properties		<b>4,602</b>	4,560	<b>4,602</b>	4,560
Work in progress		<b>148</b>	12	–	–
Finished goods		–	5,708	–	–
Properties development cost	(a)	<b>34,897</b>	21,612	–	–
<b>At net realisable value</b>					
Completed properties		<b>244</b>	470	–	–
		<b>72,072</b>	63,853	<b>4,602</b>	4,560

# NOTES TO THE FINANCIAL STATEMENTS

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## 10. INVENTORIES (CONT'D)

### (a) Property development costs

Group	Balance as at 1.4.2021 RM'000	Cost incurred during the year RM'000	Transfer RM'000	Recognised during the year RM'000	Balance as at 31.3.2022 RM'000
Land held for development	18,657	9,550	(2,000)	–	26,207
Development costs	2,955	5,905	2,000	(2,170)	8,690
	21,612	15,455	–	(2,170)	34,897

Group	Balance as at 1.4.2020 RM'000	Cost incurred during the year RM'000	Recognised during the year RM'000	Balance as at 31.3.2021 RM'000
Land held for development	10,025	8,632	–	18,657
Development costs	2,090	2,262	(1,397)	2,955
	12,115	10,894	(1,397)	21,612

### (b) Inventories are stated at the lower of cost and net realisable value.

Cost is determined using the first-in, first-out formula. The cost comprises all cost of purchases plus the cost of bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Cost of completed properties held for sale consists of cost associated with the acquisition of land, direct costs and appropriate proportions of common costs attributable for developing properties until completion.

- (c) A write down of inventories of RM241,000 (2021: RM68,000) of the Group was made during the financial year due to decline in net realisable values of certain completed properties.
- (d) Inventories of the Group amounting to RM7,862,000 (2021: RM1,639,000) have been expensed to the statements of profit or loss and other comprehensive income during the financial year.
- (e) Included in property held for sale are borrowing costs capitalised during the financial year of RM Nil (2021: RM940,000) at Nil % (2021: 10%) per annum.
- (f) As at the end of the reporting period, certain completed properties of the Group and the Company with a carrying amount of RM4,602,000 (2021: RM4,560,000) have been charged as securities for banking facilities granted to the Group and the Company as disclosed in Note 23(a) to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

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## 11. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Non-current</b>				
Trade receivables	–	123	–	–
<b>Current</b>				
Trade receivables				
Third parties	10,617	10,073	–	–
Less: Impairment losses	–	(3)	–	–
	10,617	10,070	–	–
Other receivables and deposits				
Amounts due from subsidiaries	–	–	78,087	61,757
Other receivables	2,165	2,330	774	743
Deposits	1,254	404	63	147
	3,419	2,734	78,924	62,647
Total current receivables, net of prepayments	14,036	12,804	78,924	62,647
Prepayments	4,593	2,330	272	282
Total current trade and other receivables	18,629	15,134	79,196	62,929
Total trade and other receivables	18,629	15,257	79,196	62,929

- (a) Trade and other receivables (excluding prepayments) are classified as financial assets measured at amortised cost.
- (b) The credits term of the non-current trade receivables of the Group are in accordance with the repayment schedules as contained in the agreements.
- (c) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group ranged from 30 to 60 days (2021: 30 to 60 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.
- (d) The amounts due from subsidiaries represent advances and payments on behalf, which bear interest at 2% - 10% (2021: 6% - 10%) per annum and payable within next twelve months in cash and cash equivalents.

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 11. TRADE AND OTHER RECEIVABLES (CONT'D)

- (e) The currency exposure profile of receivables (excluding prepayments) are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Ringgit Malaysia	2,364	5,204	67,129	42,827
US Dollar	11,387	7,101	–	10,302
British Pound	285	12	11,165	9,518
Australian Dollar	–	610	–	–
	<b>14,036</b>	<b>12,927</b>	<b>78,294</b>	<b>62,647</b>

- (f) Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses.

The Group uses an allowance matrix to measure the expected credit loss of trade receivables from individual customers. Expected loss rates are calculated using the average historical bad debts write-offs rate and general rate based on the length of time invoices are overdue. During this process, the probability of non-payment by the trade receivables is adjusted by forward looking information. The Group believes that the financial impacts to the forward-looking information are inconsequential for the purpose of impairment calculation of trade receivables due to their relatively short-term nature.

For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised within administrative expenses in the consolidated statement of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

It requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information, including the effects of COVID-19 pandemic.

Expected credit loss allowance for trade receivables are as follows:

Group	Gross carrying amount RM'000	Total allowance RM'000	Net balance RM'000
<b>2022</b>			
Current (not past due)	5,222	*	5,222
Past due			
- 1 to 30 days	3,878	*	3,878
- 31 to 60 days	–	–	–
- 61 to 90 days	159	*	159
- More than 90 days	1,358	*	1,358
	<b>10,617</b>	<b>*</b>	<b>10,617</b>
<b>Credit impaired</b>			
Individually impaired	–	–	–
	<b>10,617</b>	<b>*</b>	<b>10,617</b>

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 11. TRADE AND OTHER RECEIVABLES (CONT'D)

(f) (Cont'd)

Expected credit loss allowance for trade receivables are as follows: (continued)

Group	Gross carrying amount RM'000	Total allowance RM'000	Net balance RM'000
<b>2021</b>			
Current (not past due)	8,284	*	8,284
Past due			
- 1 to 30 days	1,765	*	1,765
- 31 to 60 days	80	*	80
- 61 to 90 days	67	(3)	64
- More than 90 days	—	—	—
	10,196	(3)	10,193
<b>Credit impaired</b>			
Individually impaired	—	—	—
	10,196	(3)	10,193

\* The amount is immaterial to disclose.

- (g) As at the end of each reporting period, no collateral has been obtained by the Group. Thus, the maximum credit risk exposure is equivalent to the gross carrying amount of trade receivables of the Group.
- (h) During the financial year, the Group did not renegotiate the terms of any trade receivables.
- (i) The reconciliation of movements in allowance for impairment accounts is as follows:

Group	Lifetime ECL allowance RM'000	Trade receivables Specific allowance RM'000	Total allowance RM'000
At 1 April 2020	4	16,854	16,858
Charge for the year	3	—	3
Written off during the year	—	(13,017)	(13,017)
Reversal	(4)	(3,837)	(3,841)
At 31 March 2021/1 April 2021	3	—	3
Reversal	(3)	—	(3)
At 31 March 2022	—	—	—

Specific allowance refers to individually determined debtors who are in significant financial difficulties and have defaulted on payments to be impaired as at the end of financial year.

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 11. TRADE AND OTHER RECEIVABLES (CONT'D)

- (j) Impairment for other receivables and amount due from subsidiaries are recognised based on the general approach within MFRS 9 using the forward looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. At the end of the reporting period, the Group assessed whether there has been a significant increase in credit risk for financial assets by comparing the risk of default since initial recognition. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve-months expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group defined significant increase in credit risk based on changes to contractual terms, payment delays and past due information.

Generally, the Company considers loans and advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's loan or advance to be credit impaired when:

- The subsidiary is unlikely to repay its loans or advances to the Company in full;
- The subsidiary's loan or advance is overdue for more than 120 days; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default for these intercompany loans and advances using internal information available.

It requires management to exercise its judgement in determining the probabilities of default by other receivables and subsidiaries, appropriate forward-looking information (gross domestic product (GDP)) and significant increase in credit risk, including the effects of COVID-19 pandemic. No expected credit loss is recognised arising from other receivables and amounts owing by subsidiaries as it is negligible.

Movements in the impairment allowance for other receivables and deposits are as follows:

Group	12-month ECL RM'000	Lifetime ECL - not credit impaired RM'000	Total RM'000
At 1 April 2020	2,241	—	2,241
Written off during the year	(2,241)	—	(2,241)
At 31 March 2021/1 April 2021	—	—	—

- (k) Information on financial risks of trade and other receivables is disclosed in Note 37 to the financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

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## 12. CONTRACT ASSETS/(CONTRACT LIABILITIES)

	2022 RM'000	Group 2021 RM'000
<b>Contract assets</b>		
Non-current	276	390
Current	1,046	3,259
	<b>1,322</b>	<b>3,649</b>

### Contract liabilities

Current	(962)	–
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- (a) Contract assets represent the timing differences in revenue recognition and the milestone billings. The milestone billings are structured and/or negotiated with customers to reflect physical completion of the contracts.

Contract assets are transferred to receivables when the rights to economic benefits become unconditional. This usually occurs when the Group issues billing to the customer typically within 30 days to 90 days. Contract liabilities are recognised as revenue when performance obligations are satisfied.

- (b) There were no significant changes in the contract assets and liabilities during the financial year other than the following:

	Note	2022 RM'000	Group 2021 RM'000
Contract asset not transferred to trade receivables due to disposal of subsidiary	6	107	–

- (c) Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period, are as follows:

	2022 RM'000	Group 2021 RM'000
31 March 2023	1,189	–
31 March 2022	–	4,142
	<b>1,189</b>	<b>4,142</b>

- (d) Impairment for contract assets that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses as disclosed in Note 11(f) to the financial statements.

No expected credit loss was recognised arising from the contract asset of the Group as it is negligible.

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 13. DERIVATIVE ASSETS/(LIABILITY)

	Contract/ Notional amount RM'000	Assets RM'000	Contract/ Notional amount RM'000	Liability RM'000
<b>Group</b>				
<b>2022</b>				
Forward foreign currency contracts	-	-	-	-
<b>2021</b>				
Forward foreign currency contracts	29,076	553	10,338	(344)
<b>Company</b>				
<b>2022</b>				
Forward foreign currency contracts	-	-	-	-
<b>2021</b>				
Forward foreign currency contracts	-	-	10,338	(344)

- (a) Derivatives are initially recognised at fair value on the date the derivative contracts are entered into and are subsequently remeasured to fair value with changes in fair value being recognised in profit or loss.
- (b) The Group and Company use forward foreign currency contracts to manage some of the foreign currency transaction exposure. These contracts are not designated as cash flow or fair value hedges and are entered into for period consistent with foreign currency transaction exposure and fair value changes exposure. The Group and Company do not apply hedge accounting.

Forward foreign currency contracts represent selling and buying contracts are used to hedge the Company's advance to a subsidiaries denominated in British Pound and to hedge the Group's payable to certain suppliers denominated in US Dollar and Euro for which the commitments existed at the reporting date.

- (c) During the financial year, the Group and the Company recognised a net loss of RM553,000 (2021: loss of RM16,000) and RM Nil (2021: loss of RM532,000) respectively arising from the fair value changes in derivatives. The methods and assumptions applied in determining the fair values of derivatives are disclosed in Note 36(b) (v) to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

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## 14. CASH AND BANK BALANCES AND SHORT TERM FUNDS

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Fixed deposits with licensed banks	6,615	15,006	2,100	2,100
Cash and bank balances	7,685	19,540	1,796	4,664
	14,300	34,546	3,896	6,764
Short term funds:				
- Investment in money market funds in Malaysia	5,987	1,111	5,987	1,111
	20,287	35,657	9,883	7,875

- (a) Cash and bank balances and short term funds are financial assets where cash and bank balances are measured at amortised cost, while short term funds are measured at fair value through profit or loss.
- (b) Investment in money market funds in Malaysia represent investments in highly liquid money market instruments, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value and hence, meet the definition to be classified as cash and cash equivalents.
- (c) Certain deposits with licensed banks are pledged to licensed banks as security for credit facilities granted to the Group and the Company as set out in Notes 21, 22 and 23 to the financial statements. The fixed deposits of the Group and of the Company bear average interest of 1.35 % (2021: 1.55%) and 1.70% (2021: 3.61%) per annum respectively. The fixed deposits of the Group and of the Company have maturity period between one (1) month to twelve (12) months (2021: one (1) month to twelve (12) months).
- (d) Included in the cash and bank balances of the Group is an amount of RM1,710,000 (2021: RM165,000) held under the Housing Development Accounts (Control and Licensing) Amendment Act, 2015.
- (e) Information on financial risks of cash and bank balances and short term funds is disclosed in Note 37 to the financial statements.
- (f) The currency exposure profile of cash and bank balances and short term funds are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Ringgit Malaysia	16,791	29,246	9,883	7,875
US Dollar	3,492	3,992	-	-
Australian Dollar	-	1,997	-	-
British Pound	4	422	-	-
	20,287	35,657	9,883	7,875

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 14. CASH AND BANK BALANCES AND SHORT TERM FUNDS (CONT'D)

- (g) No expected credit losses were recognised arising from the deposits with financial institutions because the probability of default by these institution were negligible.
- (h) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of each reporting period:

Note	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Cash and bank balances</b>				
Fixed deposits with licensed banks	6,615	15,006	2,100	2,100
Cash and bank balances	7,685	19,540	1,796	4,664
Short term funds	5,987	1,111	5,987	1,111
<b>As reported in statements of financial position</b>	<b>20,287</b>	<b>35,657</b>	<b>9,883</b>	<b>7,875</b>
Less:				
Bank overdrafts	20	(1,585)	–	–
Fixed deposits pledged to licensed banks	(4,236)	(3,562)	(2,100)	(2,100)
<b>As reported in statements of cash flows</b>	<b>16,051</b>	<b>30,510</b>	<b>7,783</b>	<b>5,775</b>

## 15. SHARE CAPITAL

	Group and Company			
	2022		2021	
	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
<b>Issued and fully paid ordinary shares with no par value</b>				
At beginning/end of the financial year	136,208	144,744	136,208	144,744

The owners of the Company are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meeting of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

# NOTES TO THE FINANCIAL STATEMENTS

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## 16. REDEEMABLE CONVERTIBLE PREFERENCE SHARES

	Group and Company			
	2022		2021	
	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
<b>Equity component of redeemable convertible preference share ("RCPS") with no par value</b>				
At beginning/end of the financial year	800	2,886	800	2,886

The carrying amount of the liability component of RCPS at the reporting date is arrived at as follow:

	Group	
	2022 RM'000	2021 RM'000
<b>Liability component of RCPS with no par value</b>		
Face value of RCPS at date of issuance	8,096	8,096
Less: Equity component	(2,886)	(2,886)
Liability component at initial recognition	5,210	5,210
At beginning of the financial year	6,465	6,006
Unwinding of discount	494	459
At end of the financial year	6,959	6,465

On 2 March 2017, ENRA Labuan Sdn. Bhd. ("ELSB"), a wholly-owned direct subsidiary of the Company, had entered into a Subscription Agreement with a third party subscriber for the issuance and subscription of 800,000 Redeemable Convertible Preference Shares Series A ("RCPS-A") at the subscription price of RM10.12 per RCPS-A amounting to RM8,096,000. ELSB shall utilise the said subscription amount solely for the purpose of or in relation to their acquisition of land (that is to be reclaimed) in Labuan.

On 2 March 2017, ELSB had also entered into a Shareholder Agreement with the third party subscriber of the RCPS-A and the Company, being its shareholder to regulate the management of the ELSB, the relationships of each other and certain aspects of the affairs of, and their dealings with ELSB.

The salient features of the RCPS-A are as follows:

- (i) The RCPS-A has a tenure of 6 years from the issue date and matures on the business day immediately preceding the 6th anniversary of the said issue date;
- (ii) The RCPS-A is convertible at any time at the option of the holder in accordance with the terms of the Subscription Agreement. One new ordinary share will be issued as fully paid upon the conversion of one RCPS-A. All outstanding RCPS-A shall be automatically converted upon maturity of the RCPS;

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 16. REDEEMABLE CONVERTIBLE PREFERENCE SHARES (CONT'D)

The salient features of the RCPS-A are as follows: (Cont'd)

- (iii) ELSB shall in accordance with the provisions of the Companies Act 2016 and the terms of the Subscription Agreement redeem all or any of the RCPS-A;
- (iv) The RCPS-A carries the right to receive non-cumulative dividends at the same rate as the ordinary shares of ELSB. The RCPS-A ranks in priority to the ordinary share in respect of terms of the right to receive the dividend;
- (v) The RCPS-A ranks *pari passu* inter se in respect of entitlements to dividends, rights, allotment or other distributions should the entitlement date for such dividends, rights, allotments or other distributions be declared after the RCPS-A are issued; and
- (vi) The RCPS-A is not to be listed but is transferrable in accordance with the terms of the Shareholder Agreement.

## 17. TREASURY SHARES

The shareholders of the Company, by way of an ordinary resolution passed at the annual general meeting held on 19 September 2007, approved the Company's plan to repurchase up to 10% of the issued and paid-up share capital of the Company ("Share Buy Back").

The shares of the Company repurchased were held as treasury shares in accordance with Section 127(6) of the Companies Act 2016 in Malaysia.

As at 31 March 2022, the Group held 1,289,400 (2021: 1,289,400) of the Company's treasury shares at a total cost of RM1,199,000 (2021: RM1,199,000).

## 18. NON-DISTRIBUTABLE RESERVES

	Group	
	2022 RM'000	2021 RM'000
Exchange translation reserve	532	816

The exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the presentation currency of the Group. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

# NOTES TO THE FINANCIAL STATEMENTS

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## 19. TRADE AND OTHER PAYABLES

Note	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Non-current</b>				
Other payables – third parties	22,833	13,658	–	–
<b>Current</b>				
Trade payables - third parties	8,836	12,220	–	–
Other payables				
Amounts due to subsidiaries	–	–	94	2,658
Other payables – third parties	2,896	4,444	253	70
Contingent consideration for business acquisition	–	2,271	–	–
Accruals	12,408	3,550	1,535	1,353
Deposits and advances received	9	35	12	–
Amount due to a related party	13,095	13,371	–	–
	28,408	23,671	1,894	4,081
Total current trade and other payables	37,244	35,891	1,894	4,081
Total trade and other payables	60,077	49,549	1,894	4,081

- (a) Trade and other payables, except for land entitlement payment and contingent consideration for business acquisition, are classified as financial liabilities measured at amortised cost.
- (b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranged from 30 days to 60 days (2021: 30 days to 60 days).
- (c) Non-current other payables amounting RM22,668,000 (2021: RM13,489,000) relates to land entitlement payment for the Group's property development project. The entitlement is payable to the landowner upon completion of the development project.
- (d) Contingent consideration for business acquisition arose from the Group's acquisition of a former subsidiary, International Chemicals Engineering Pty. Ltd. ("ICE") in the financial year ended 31 March 2019. The contingent consideration of up to AUD1.80 million is payable proportion to ICE meeting the target of achieving EBITDA in excess of the EBITDA Guarantee for each for the next three (3) years from the date of acquisition. The term of payment of contingent consideration was subsequently extended to four (4) years from the date of acquisition in the financial year ended 31 March 2020.

In the previous financial year, the Group made the second payment of AUD600,000 (RM1,896,000 equivalent) upon ICE meeting its target for the second year.

During the financial year, the Group settled the remaining AUD790,000 (RM2,456,000 equivalent) contingent consideration in full as part of the agreement with the Proposed Acquirer prior to the disposal of ENRA Kimia Group as disclosed in the Note 6(c) to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 19. TRADE AND OTHER PAYABLES (CONT'D)

- (e) Amount due to a related party represents advances received from a non-controlling interest of a subsidiary amounting to RM13,095,000 (2021: RM13,371,000) which are unsecured, non-interest bearing and payable on demand in cash and cash equivalents.
- (f) Amounts due to subsidiaries represent payments on behalf, which are unsecured, interest free and payable within next twelve months in cash and cash equivalents.
- (g) The currency exposure profile of payables are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Ringgit Malaysia	38,059	23,326	1,894	4,081
US Dollar	8,517	8,975	–	–
British Pound	13,501	14,317	–	–
Australian Dollar	–	2,931	–	–
	<b>60,077</b>	<b>49,549</b>	<b>1,894</b>	<b>4,081</b>

- (h) Information on financial risks of trade and other payables is disclosed in Note 37 to the financial statements.

## 20. BORROWINGS

		Group		Company	
	Note	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Non-current liabilities</b>					
Term loans	22	–	8,393	–	–
<b>Current liabilities</b>					
Bank overdrafts	21	–	1,585	–	–
Term loans	22	2,507	41,685	–	–
Other borrowings	23	1,370	10,076	–	8,000
		<b>3,877</b>	<b>53,346</b>	<b>–</b>	<b>8,000</b>
		<b>3,877</b>	<b>61,739</b>	<b>–</b>	<b>8,000</b>
<b>Total borrowings</b>					
Bank overdrafts	23	–	1,585	–	–
Term loans	24	2,507	50,078	–	–
Other borrowings	25	1,370	10,076	–	8,000
		<b>3,877</b>	<b>61,739</b>	<b>–</b>	<b>8,000</b>



# NOTES TO THE FINANCIAL STATEMENTS

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## 20. BORROWINGS

(a) Borrowings are classified as financial liabilities measured at amortised cost.

(b) The currency exposure profile of borrowings are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Ringgit Malaysia	1,370	47,913	–	8,000
British Pound	2,507	10,848	–	–
Australian Dollar	–	2,978	–	–
	<b>3,877</b>	61,739	–	8,000

## 21. BANK OVERDRAFTS

In the previous financial year, bank overdrafts of the Group were secured by the following:

- (a) first party pledge of fixed deposits equivalent to one (1) to twelve (12) months' interest servicing on the facility (Note 14(c)); and
- (b) guaranteed by way of corporate guarantee by the Group.

Information on financial risks of bank overdrafts is disclosed in Note 37 to the financial statements.

## 22. TERM LOANS

	Group	
	2022 RM'000	2021 RM'000
Term loan I	–	10,848
Term loan III	–	6,534
Term loan IV	–	2,978
Term loan V	2,507	29,718
	<b>2,507</b>	50,078

Repayable as follows:

### Current liabilities:

- not later than one (1) year

**2,507** 41,685

### Non-current liabilities:

- later than one (1) year and not later than five (5) years

– 8,393

**2,507** 50,078

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 22. TERM LOANS (CONT'D)

- (a) Term loan I is extended from its twelve (12) months term expired on 23 March 2021 and was fully settled during the financial year.
- (b) Term loan III, IV and V are related to assets acquisition by subsidiaries and were secured by the following:
  - (i) corporate guarantees from the Company as disclosed in Note 33 to the financial statements;
  - (ii) fresh negative pledge over the assets of a subsidiary;
  - (iii) pledge of fixed deposits as disclosed in Note 14(c) to the financial statements;
  - (iv) pledge of insurance rights in respect of the acquired assets and;
  - (v) pledged against the respective acquired assets as disclosed in Note 4(d) to the financial statements.

During the financial year, the Group derecognised the outstanding balances of Term loan III and IV as part of the disposal of ENRA Kimia Group as disclosed in Note 6(c) to the financial statements.

- (c) Information on financial risks of term loans and the remaining maturities is disclosed in Note 37 to the financial statements.

## 23. OTHER BORROWINGS

- (a) The other borrowings of the Group relates to trade and working capital credit facilities that are secured by:
  - (i) fresh negative pledge over the assets of a subsidiary;
  - (ii) pledge of fixed deposits as disclosed in Note 14(c) to the financial statements; and
  - (iii) pledge of inventory as disclosed in Note 10(f) to the financial statements.

Other borrowings of the Company were fully settled during the financial year.

- (b) Information on financial risks of other borrowings and their remaining maturities is disclosed in Note 37 to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

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## 24. REVENUE

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<i>Revenue from contracts with customers</i>				
Sale of goods	6,917	1,464	–	–
Property development revenue	2,675	1,674	–	–
Services rendered	19,047	18,116	–	–
	<b>28,639</b>	21,254	–	–
<i>Other revenue</i>				
Dividend income	–	–	24,391	–
<i>Revenue from leases</i>				
Leasing	34,068	34,048	–	–
Revenue from continued operations	<b>62,707</b>	55,302	<b>24,391</b>	–
Revenue from discontinued operations	<b>25,609</b>	57,497	–	–
	<b>88,316</b>	112,799	<b>24,391</b>	–
<b>Timing of revenue recognition</b>				
Transferred over time	21,722	19,790	–	–
Transferred at a point in time	6,917	1,464	–	–
	<b>28,639</b>	21,254	–	–

(a) Revenue from contracts with customer is disaggregated in Note 35 to the financial statements by geographical area.

(b) Sale of goods

Revenue from sale of goods is recognised at a point in time when the products have been transferred to the customer and coincide with the delivery of products and acceptance by customers.

Some contracts for the sale of goods provide customers with a right of return the goods within a specified period. Under MFRS 15, the consideration received from the customer is variable because the contract allows the customer to return the products. The Group uses the expected value method to estimate goods that will not be returned.

There is no significant financing component in the revenue arising from sale of goods as the sales are made on the normal credit terms not exceeding twelve months.

(c) Energy services income

Energy services income is recognised at over time. The income is recognised over time as income when the customers receives and consumes the benefits.

# NOTES TO THE FINANCIAL STATEMENTS

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## 24. REVENUE (CONT'D)

### (d) Revenue from property development and construction contracts

Contracts with customers include multiple promises to customers and therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

Revenue from property development and construction contracts is measured at the fixed transaction price agreed under the agreement.

Revenue is recognised as and when control of the asset is transferred to the customer and it is probable that the Group would collect the consideration to which it will be entitled in exchange for the asset that would be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the performance of the Group does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the asset transfers over time, revenue is recognised over the period of the contract using the input method by reference to the cost incurred relative to the total expected cost for satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

Significant judgement is required in determining performance obligations, transaction price allocation and costs in applying the input method to recognise revenue over time.

The Group identifies performance obligations that are distinct and material, which is judgmental in the context of contract. Transaction prices were determined based on estimated margins prior to its allocation to the identified performance obligation. The Group also estimated total contract costs in applying the input method to recognise revenue over time.

### (d) Leasing

Lease income from operating lease is accounted for on a straight line basis over the lease term of an ongoing lease. While lease income from finance lease is accounted for on a straight line basis over the lease term of an ongoing lease and subsequently transfer the ownership of the asset to the lessee.

### (e) Sale of completed properties

The Group recognises sales at a point in time for the sale of completed properties, when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Group will collect the considerations to which it would be entitled to in exchange for the assets sold.

There is no significant financing component in the revenue arising from sale of completed properties as the sales are made on the normal credit terms not exceeding twelve months.

### (f) Dividend income

Dividend income is recognised when the right to receive payment is established.

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 25. FINANCE COSTS

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Interest expense:				
- term loans	816	2,824	-	44
- other borrowings	487	301	302	271
Unwinding of discount (RCPS)	494	459	-	-
Others - facility fees	41	3	-	15
	<b>1,838</b>	<b>3,587</b>	<b>302</b>	<b>330</b>
Less: Interest capitalised	-	(940)	-	-
	<b>1,838</b>	<b>2,647</b>	<b>302</b>	<b>330</b>

## 26. PROFIT/(LOSS) BEFORE TAX

Other than those disclosed elsewhere in the financial statements, profit/(loss) before tax is arrived at:

		Group		Company	
	Note	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>After charging:</b>					
Auditors' remuneration:					
- Statutory audit		208	253	53	53
- Non-statutory audit		97	71	96	49
Loss on disposal of property, plant and equipment		69	-	69	-
Realised loss on foreign exchange:		-	246	2	58
<b>And crediting</b>					
Fair value gain on short term funds		14	8	14	8
Unrealised gain on foreign exchange		633	204	-	-
Gain on disposal of associate	(a)	-	130	-	-
Gain on disposal of property, plant and equipment		-	144	-	1
Gain on disposal of lease assets		-	64	-	-
Interest income received from:					
- fixed deposits with licensed banks		147	72	71	20
- short term funds		88	220	26	127
- subsidiaries		-	-	3,515	3,142
Realised gain on foreign exchange		85	-	-	-
Management fees from subsidiaries		-	-	644	3,828

(a) In the previous financial year, the Group disposed its investment in an associate to the associate's major shareholder for a total cash consideration of RM130,000. The carrying amount of the investment in associate as at the date of disposal is RM nil.

# NOTES TO THE FINANCIAL STATEMENTS

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## 27. TAX EXPENSE

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Current tax expense based on profit/(loss) for the financial year				
- Current year	643	324	-	-
- Under/(Over) provision in prior years	10	(9)	12	-
	653	315	12	-
Deferred tax (Note 9)				
- Relating to origination and reversal of temporary differences	-	-	-	-
- Over provision in prior year	-	-	-	-
	-	-	-	-
Total tax expense	653	315	12	-

- (a) Malaysian income tax is calculated at the statutory tax rate of 24% (2021: 24%) of the estimated taxable profits for the fiscal year.
- (b) Tax expense for other tax authorities are calculated at the rates prevailing in those respective jurisdictions.
- (c) Numerical reconciliation between the tax expense and the product of accounting profit/(loss) multiplied by applicable tax rate of the Group and of the Company are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Profit/(Loss) before tax	6,249	(7,738)	10,808	(15,342)
Tax at Malaysian statutory tax rate of 24% (2021: 24%)	1,500	(1,857)	2,594	(3,682)
Difference in tax rate	-	(50)	-	-
Non-allowable expenses	11,997	2,448	2,714	3,276
Non-taxable income	(13,421)	(2,490)	(5,862)	(36)
Deferred tax assets not recognised	567	2,273	554	442
	643	324	-	-
Under/(Over) provision in prior years:				
- income tax	10	(9)	12	-
- deferred tax	-	-	-	-
	653	315	12	-

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 27. TAX EXPENSE (CONT'D)

(d) Tax on each component of other comprehensive income is as follows:

	Before tax RM'000	Group Tax effect RM'000	After tax RM'000
<b>Items that may be reclassified subsequently to profit or loss</b>			
<b>2022</b>			
Foreign currency translations	50	–	50
<b>2021</b>			
Foreign currency translations	(202)	–	(202)

## 28. WARRANTS 2020/2025

On 7 January 2021, the Company listed and quoted 44,971,973 Warrants pursuant to the Issuance of Free Warrants on the basis of one (1) Warrant for every three (3) existing shares held in the Company. The Warrants are constituted by the Deed Poll dated 8 December 2020 (“Deed Poll”).

Salient features of the Warrants are as follows:

- Each Warrant entitles the registered holder thereof (“Warrant holder(s)”) to subscribe for one (1) new ordinary share in the Company at an exercise price of RM1.00 during the 5-year period expiring on 26 December 2025 (“Exercise Period”);
- Any Warrant not exercised upon expiry of the Exercise Period will thereafter lapse and cease to be valid for any purpose;
- The Exercise Price and/or the number of the unexercised Warrant shall, from time to time be adjusted, calculated or determined by the Board in consultation with an approved adviser appointed by the Company and certified by the auditors of the Company, in accordance with the provisions of the Deed Poll;
- The Warrant Holders shall not be entitled to participate in any rights, allotment, dividends and/or other forms of distributions which may be declared, made or paid, where the entitlement date of which precedes the date of allotment of the new Company Shares. The Warrant Holders are not entitled to any voting rights in any general meeting of the Company or to participate in any form of distribution and/or offer of securities in the Company unless otherwise resolved by the shareholders of the Company or the Warrant Holders (or any of them) become shareholders of the Company by exercising their Warrants; and

# NOTES TO THE FINANCIAL STATEMENTS

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## 28. WARRANTS 2020/2025 (CONT'D)

- (e) If a resolution is passed for a members' voluntary winding-up of the Company, or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with one or more companies, then:
- (i) for the purposes of such winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which the Company is the continuing corporation) to which the registered Warrant Holder (or some other persons designated by them for such purpose by special resolution) shall be a party, the terms of such winding-up, compromise or arrangement shall be binding on all the registered Warrant Holders; and
  - (ii) in any other case, every Warrant Holder shall be entitled, upon and subject to the provisions of the Deed Poll, at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding up of the Company or within six (6) weeks after the granting of the court order approving the compromise or arrangement, by the irrevocable surrender of his/her Warrants to the Company, submitting the exercise form duly completed together with payment of the relevant exercise money, to elect to be treated as if he had immediately prior to the commencement of such winding-up, compromise or arrangement (as the case may be), exercised the exercise rights represented by such Warrants to the extent specified in the relevant exercise form and be entitled to receive out of the assets of the Company which would be available in liquidation if he/she had on such date been the holder of the new Company Shares to which he/she would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly.

There was no exercised of Warrant during the financial year ended 31 March 2022.

## 29. EARNINGS/(LOSS) PER ORDINARY SHARE

- (a) Basic

Basic earnings/(loss) per ordinary share for the financial year is calculated by dividing the profit/(loss) for the financial year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2022	2021
Profit/(Loss) attributable to equity holders of the Company (RM'000)	7,319	(6,360)
Weighted average number of ordinary shares in issue after deducting the treasury shares ('000)	134,919	134,919
Basic earnings/(loss) per ordinary share (sen) for: Profit/(Loss) for the financial year	5.42	(4.71)

- (b) The diluted earnings per share for the current financial year is anti-dilutive and the warrants exercise price is more than the average share price for the financial year (2021: None). Accordingly, the diluted earnings per share for the current financial year is presented as equal to basic earnings per shares



# NOTES TO THE FINANCIAL STATEMENTS

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## 30. DIVIDENDS

	Group and Company			
	2022		2021	
	Dividend per share sen	Amount of dividend RM'000	Dividend per share sen	Amount of dividend RM'000
In respect of financial year ended 31 March 2021				
- Interim cash dividend paid	-	-	1.25	1,686
In respect of financial year ended 31 March 2022				
- Interim cash dividend paid	7.40	9,984	-	-

The Board of Directors does not recommend the payment of any final dividend in respect of the financial year ended 31 March 2022.

## 31. EMPLOYEE BENEFITS

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Salaries, wages, bonus and allowances	21,898	15,018	12,014	5,308
Defined contribution plan	1,657	1,716	568	624
Other employee benefits	576	431	383	298
Compensation for mutual separation scheme	-	1,205	-	1,129
	24,131	18,370	12,965	7,359

Included in the employee benefits of the Group and the Company is Directors' remuneration amounting to RM9,715,000 and RM9,715,000 (2021: RM3,071,000 and RM2,846,000) respectively.

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 32. CAPITAL COMMITMENTS

	2022 RM'000	Group 2021 RM'000
<b>Approved and not contracted for</b>		
Purchase of property, plant and equipment	–	1,096

## 33. CONTINGENT LIABILITIES

	2022 RM'000	Group 2021 RM'000	2022 RM'000	Company 2021 RM'000
<b>Secured</b>				
Bank guarantee given to customers in respect of contracts in subsidiaries	2,522	3,609	–	–
Bank guarantee given to suppliers in respect of goods supplied to a subsidiary	–	11,615	–	–
	2,522	15,224	–	–
<b>Unsecured</b>				
Corporate guarantees given by the Company for credit facilities granted to the subsidiaries	–	–	3,877	39,913

The Directors are of the opinion that the fair value of the corporate guarantees is negligible as the possibility of any outflow in settlement arising from the default of credit facilities is remote.

The Group designates corporate guarantees given to banks for credit facilities granted to subsidiaries as insurance contracts as defined in MFRS 4 *Insurance Contracts*. The Group recognises these insurance contracts as recognised insurance liabilities when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 34. RELATED PARTY DISCLOSURES

### (a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties of the Group include:

- (i) Direct and indirect subsidiaries as disclosed in Note 6 to the financial statements;
  - (ii) Key management personnel, which comprises persons (including the Directors of the Company) having authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly; and
  - (iii) Company in which a Director is also a Director cum shareholder of the Company.
- (b) Significant related party transactions and balances

In addition to the transactions and balances detailed elsewhere in the financial statements, the Company had the following transactions with related parties during the financial year:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<i>Related party:</i>				
Disposal of subsidiary	25,500	—	—	—
<i>Subsidiaries:</i>				
Interest income	—	—	3,514	3,142
Dividend income	—	—	24,391	—
Lease income	—	—	15	9
Management fees received/ receivable	—	—	644	3,828
Transfer of subsidiary	—	—	—	5,001

The related party transactions described above were carried out on terms and conditions mutually agreed with the respective parties.

Balances of the above related parties are disclosed in Notes 11 and 19 to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 34. RELATED PARTY DISCLOSURES (CONT'D)

### (c) Key management personnel

The remunerations of Directors of the Company during the financial year were as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Fees	372	369	372	369
Salaries	1,426	1,872	1,426	1,675
Other emoluments	7,917	830	7,917	802
	<b>9,715</b>	<b>3,071</b>	<b>9,715</b>	<b>2,846</b>

The remuneration of key management personnel other than the Directors of the Company are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Salaries, bonus and allowance	8,789	3,926	7,607	2,559
Defined contribution plan	1,476	499	1,313	331
	<b>10,265</b>	<b>4,425</b>	<b>8,920</b>	<b>2,890</b>

## 35. OPERATING SEGMENTS

Operating segments are defined as components of the Group that:

- Engages in business activities from which it could earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group);
- Whose operating results are regularly reviewed by the chief operating decision maker of the Group in making decisions about resources to be allocated to the segment and assessing its performance; and
- For which discrete financial information is available.

An operating segment may engage in business activities for which it has yet to earn revenues.

The Group reports separately information about each operating segment that meets any of the following quantitative thresholds:

- Its reported revenue, including both sales to external customers and intersegment sales or transfers, is ten per cent (10%) or more of the combined revenue, internal and external, of all operating segments.
- The absolute amount of its reported profit or loss is ten per cent (10%) or more of the greater, in absolute amount of:
  - The combined reported profit of all operating segments that did not report a loss; and
  - The combined reported loss of all operating segments that reported a loss.
- Its assets are ten per cent (10%) or more of the combined assets of all operating segments.

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 35. OPERATING SEGMENTS (CONT'D)

Operating segments that do not meet any of the quantitative thresholds may be considered reportable, and separately disclosed, if the management believes that information about the segment would be useful to users of the financial statements.

Total external revenue reported by operating segments shall constitute at least seventy five (75%) percent of the revenue of the Group. Operating segments identified as reportable segments in the current financial year in accordance with the quantitative thresholds would result in a restatement of prior period segment data for comparative purposes.

Segment performance is evaluated based on operating profit, excluding non-recurring losses, and in certain respect as explained in the table below, it is measured differently from operating profit in consolidated financial statements.

Inter-segment revenue is priced along the same lines as sales to external customers and conditions and is eliminated on the consolidated financial statements. These policies have been applied consistently throughout the current and previous financial years.

Segment assets exclude current tax assets, deferred tax assets and assets used primarily for corporate purposes.

Segment liabilities exclude current tax liabilities and deferred tax liabilities. Even though loans and borrowings arise from financing activities rather than operating activities, they are allocated to the segments based on relevant factors (e.g. funding requirements). Details are provided in the reconciliations from segments assets and liabilities to the Group position.

The Group is principally engaged in energy services, property development, and property investment, investment holding activities and other management services activities. The reportable segments of the Group are summarised as follows:

- (a) Property development: Joint venture property development
- (b) Energy services: Trading, leasing and energy related services, engineering and fabrication.
- (c) Investment holdings and others: Investment holdings and management services activities

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

**35. OPERATING SEGMENTS (CONT'D)**

	Property development RM'000	Energy services RM'000	Investment holdings and others RM'000	Total RM'000
<b>2022</b>				
<b>Revenue</b>				
Total revenue	2,675	85,641	–	88,316
Discontinued operations	–	(25,609)	–	(25,609)
<b>Revenue from external customers</b>	<b>2,675</b>	<b>60,032</b>	<b>–</b>	<b>62,707</b>
<b>Segment (loss)/profit before tax</b>	<b>(1,533)</b>	<b>23,013</b>	<b>(15,231)</b>	<b>6,249</b>
Interest income	5	133	97	235
Finance costs	(679)	(857)	(302)	(1,838)
Lease interest	(119)	(18)	(6)	(143)
Net finance expense	(793)	(742)	(211)	(1,746)
Depreciation of property, plant and equipment	(17)	(6,831)	(34)	(6,882)
Amortisation of right-of-use assets	(163)	(235)	(121)	(519)
Impairment loss on property, plant and equipment	–	(9,006)	–	(9,006)
Total depreciation, amortisation and impairment loss	(180)	(16,072)	(155)	(16,407)
Other material non-cash items:				
Reversal of impairment loss on trade and other receivables	–	3	3	3
Gain on disposal of subsidiary	–	19,588	–	19,588
<b>Segment assets</b>	<b>81,954</b>	<b>89,474</b>	<b>15,773</b>	<b>187,201</b>
<b>Segment liabilities</b>	<b>49,167</b>	<b>22,416</b>	<b>1,912</b>	<b>73,495</b>
<b>Other information:</b>				
Goodwill on consolidation	–	400	–	400
Additions to non-current assets other than financial instruments	26	23	211	260

# NOTES TO THE FINANCIAL STATEMENTS

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**35. OPERATING SEGMENTS (CONT'D)**

	Property development RM'000	Energy services RM'000	Investment holdings and others RM'000	Total RM'000
<b>2021</b>				
<b>Revenue</b>				
Total revenue	1,674	111,125	–	112,799
Discontinued operations	–	(57,497)	–	(57,497)
<b>Revenue from external customers</b>	<b>1,674</b>	<b>53,628</b>	<b>–</b>	<b>55,302</b>
<b>Segment loss before tax</b>	<b>(1,273)</b>	<b>4,132</b>	<b>(10,597)</b>	<b>(7,738)</b>
Interest income	–	145	147	292
Finance costs	(490)	(1,827)	(330)	(2,647)
Lease interest	(119)	(23)	(10)	(152)
Net finance expense	(609)	(1,705)	(193)	(2,507)
Depreciation of property, plant and equipment	(5)	(6,138)	(279)	(6,422)
Amortisation of right-of-use assets	(162)	(586)	(285)	(1,033)
Impairment loss on goodwill	–	–	(8,536)	(8,536)
Total depreciation, amortisation and impairment loss	(167)	(6,724)	(9,100)	(15,991)
Other material non-cash items:				
Reversal of impairment loss on trade and other receivables	–	3,841	–	3,841
Gain on disposal of associate	–	130	–	130
<b>Segment assets</b>	<b>61,877</b>	<b>163,404</b>	<b>13,862</b>	<b>239,143</b>
<b>Segment liabilities</b>	<b>48,127</b>	<b>62,395</b>	<b>10,236</b>	<b>120,758</b>
<b>Other information:</b>				
Goodwill on consolidation	–	4,404	–	4,404
Additions to non-current assets other than financial instruments	30	24,328	78	24,436

# NOTES TO THE FINANCIAL STATEMENTS

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## 35. OPERATING SEGMENTS (CONT'D)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities to the corresponding amounts of the Group are as follows:

	2022 RM'000	2021 RM'000
<b>Assets</b>		
Total assets for reportable segments	187,201	239,143
Current tax assets	124	738
Deferred tax assets	–	247
Assets of the Group	187,325	240,128
<b>Liabilities</b>		
Total liabilities for reportable segments	73,495	120,758
Current tax liabilities	436	445
Deferred tax liabilities	–	704
Liabilities of the Group	73,931	121,907

### Geographical information

The Group predominantly operates in Malaysia save for a part of its property development business that operates in the United Kingdom under ENRA Property (UK) Limited's Group and a part of its energy business that operates in Australia under ENRA Kimia (Australia) Pty Ltd's Group. In determining geographical segment of the Group, revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

	Revenue		Segment assets	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Malaysia	12,787	5,410	89,006	112,135
Myanmar	49,920	49,892	65,292	80,506
Australia	–	–	–	12,206
United Kingdom	–	–	32,903	34,296
	62,707	55,302	187,201	239,143

### Major customers

Other than a single customer who contributed about 80% (2021: 81%) to the revenue of the Group, there is no other customer who contributed significantly to the revenue of the Group.



# NOTES TO THE FINANCIAL STATEMENTS

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## 36. FINANCIAL INSTRUMENTS

### (a) Capital management

The primary objective of the capital management of the Group and the Company is to ensure that the entities of the Group and the Company would be able to continue as going concerns while maximising the returns to shareholders through the optimisation of the debt and equity balance. The overall strategy of the Group and the Company remains unchanged from that in the financial year ended 31 March 2021.

The Group and the Company manage its capital structure and makes adjustments to it, in light of changes in the economic conditions. In order to maintain or adjust the capital structure, the Group and the Company may from time to time adjust the dividend payout to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2021 and 31 March 2022.

The Group and the Company monitor capital using a gearing ratio, which is total external borrowings and divided by total equity. The policy of the Group and the Company is to keep the gearing ratio within manageable levels. At the end of the reporting period, the Group's and the Company's gearing ratio is 0.03 times (2021: 0.54 times) and nil (2021: 0.06 times) respectively.

Pursuant to the requirements of Practice Note No. 17/2005 of the Bursa Malaysia Securities, the Group is required to maintain a consolidated shareholders' equity of more than 25% of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40.00 million. The Group has complied with this requirement for the financial year ended 31 March 2021.

### (b) Determination of fair value

The methods and assumptions used to estimate fair values of financial assets and financial liabilities are as follows:

- (i) Financial instruments that are not carried at fair value and whose carrying amounts are a reasonable approximation of fair values.

The carrying amounts of financial assets and liabilities, such as trade and other receivables, trade and other payables and borrowings are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

The carrying amounts of the current position of borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

- (ii) Hire-purchase and lease creditors and other borrowings

The fair values of these financial instruments are estimated by future contractual cash flows at current market rate for similar financial instruments and of the same remaining maturities at the end of the reporting period.

# NOTES TO THE FINANCIAL STATEMENTS

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## 36. FINANCIAL INSTRUMENTS (CONT'D)

### (b) Determination of fair value (Cont'd)

#### (iii) Land entitlement payment – non current

The fair value of land entitlement payment is estimated by the amount that would be payable upon settlement using a valuation technique with market observable inputs.

#### (iv) Short term funds

The fair values of short term funds are determined by reference to the exchange quoted market bid prices at the close of the business at the end of each reporting period.

#### (v) Forward foreign currency contracts

The fair value of a forward foreign exchange contract is the amount that would be payable or receivable upon termination of the outstanding position arising and valued using a valuation technique with market observable inputs. The derivatives arising from the forward currency contracts are stated at fair value using the prevailing market rate. The fair value changes are attributable to changes in foreign exchange spot and forward rate.

### (c) Fair value hierarchy

Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event of change in circumstances that causes the transfers.

The carrying amount of cash and cash equivalents, short term receivable and payables and short term borrowings reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

# NOTES TO THE FINANCIAL STATEMENTS

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## 36. FINANCIAL INSTRUMENTS (CONT'D)

### (c) Fair value hierarchy (Cont'd)

The table below analyses other financial instruments at fair value:

2022	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
<b>Group</b>										
<b>Financial assets</b>										
Short term funds	5,987	-	-	5,987	-	-	-	-	5,987	5,987
<b>Financial liabilities</b>										
Land entitlement payment	-	-	22,668	22,668	-	-	-	-	22,668	22,668
RCPS	-	-	-	-	-	-	6,959	6,959	6,959	6,959
<b>Company</b>										
<b>Financial assets</b>										
Short term funds	5,987	-	-	5,987	-	-	-	-	5,987	5,987

# NOTES TO THE FINANCIAL STATEMENTS

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## 36. FINANCIAL INSTRUMENTS (CONT'D)

### (c) Fair value hierarchy (Cont'd)

The table below analyses other financial instruments at fair value (continued):

2021	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
<b>Group</b>										
<b>Financial assets</b>										
Derivative assets	-	553	-	553	-	-	-	-	553	553
Short term funds	1,111	-	-	1,111	-	-	-	-	1,111	1,111
<b>Financial liabilities</b>										
Contingent consideration for business acquisition	-	-	2,271	2,271	-	-	-	-	2,271	2,271
Derivative liability	-	344	-	344	-	-	-	-	344	344
Land entitlement payment	-	-	13,489	13,489	-	-	-	-	13,489	13,489
RCPS	-	-	-	-	-	-	6,360	6,360	6,360	6,465
<b>Company</b>										
<b>Financial assets</b>										
Short term funds	1,111	-	-	1,111	-	-	-	-	1,111	1,111
<b>Financial liabilities</b>										
Derivative liability	-	344	-	344	-	-	-	-	344	344

# NOTES TO THE FINANCIAL STATEMENTS

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## 36. FINANCIAL INSTRUMENTS (CONT'D)

### (c) Fair value hierarchy (Cont'd)

#### Level 3 fair value

The significant unobservable input used in determining the fair value measurement of Level 3 financial instruments as well as the relationship between key unobservable inputs and fair value, is detailed in the table below:

Financial instruments	Valuation technique used	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value
<b><u>Financial liabilities</u></b>			
RCPS	Discounted cash flows method	Discount rate 5.00%	The higher the discount rate, the lower the fair value of the liabilities would be.
Contingent consideration for business acquisition	Discounted cash flows method	Discount rate 9.31%	The higher the discount rate, the lower the fair value of the liabilities would be
		The ability of ICE achieving its profit target	The fair value is derived with the assumption that ICE will achieve its profit target for the entire Guarantee period. The fair value will be lower in the event ICE could not achieve its profit target.

## 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial risk management objective of the Group is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from fluctuations in interest rates and the unpredictability of the financial markets.

The Group operates within an established risk management framework and clearly defined guidelines that are regularly reviewed by the Board of Directors and does not trade in derivative financial instruments. Financial risk management is carried out through risk review programmes, internal control systems, insurance programmes and adherence to the Group financial risk management policies. The Group is exposed mainly to credit risk, interest rate risk, liquidity and cash flow risk and foreign currency risk. Information on the management of the related exposures is detailed below.

### (i) Credit risk

Cash deposits and trade receivables may give rise to credit risk, which requires the loss to be recognised if a counter party fails to perform as contracted. It is the Group's policy to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The Group's primary exposure to credit risk arises through its trade receivables. The credit period is generally for a period of 30 days to 60 days. The exposure to credit risk is monitored on an ongoing basis.

# NOTES TO THE FINANCIAL STATEMENTS

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## 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (i) Credit risk (Cont'd)

At the end of the reporting period, the Group does not have any significant exposure to any individual customer or counterparty other than 98% (2021: 74%) of the Group's trade receivables as at reporting date were due from two (2) (2021: three (3)) major customers. The Group does not anticipate the carrying amount recorded at the reporting period to be significantly different from the values that would eventually be received.

Other than the amounts owing by the subsidiaries amounting to RM78,087,000 (2021: RM61,757,000), which represent 98% (2021: 98%) of trade and other receivables of the Company, there is no significant concentration of credit risk of the Company.

#### Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

Information regarding credit enhancements for trade and other receivables is disclosed in Note 11 to the financial statements.

### (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group and of the Company would fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from their fixed deposits with licensed banks, short term funds, borrowings and amounts due from subsidiaries. The Group borrows at both, fixed and floating rates of interest to generate the desired interest profile and to manage the exposure of the Group and of the Company to interest rate fluctuations.

#### Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity analysis of the Group and of the Company if interest rates at the end of reporting period changed by 10 basis points with all other variables held constant:

	Group		Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
	Profit/ (Loss)	(Loss)/ Profit	Profit/ (Loss)	(Loss)/ Profit
	after tax	after tax	after tax	after tax
Increased by 0.1% (2021: 0.1%)	6	(10)	5	(7)
Decreased by 0.1% (2021: 0.1%)	(6)	10	(5)	7

# NOTES TO THE FINANCIAL STATEMENTS

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## 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (ii) Interest rate risk (Cont'd)

The following tables set out the carrying amounts, the weighted average effective interest rates as at the end of reporting period and the remaining maturities of the financial instruments of the Group and of the Company that are exposed to interest rate risk:

Group	Note	Weighted average effective interest rate %	Within 1 year RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	More than 5 years RM'000	Total RM'000
<b>At 31 March 2022</b>									
<b>Fixed rates</b>									
Fixed deposits with licensed banks	14	1.21	6,615	-	-	-	-	-	6,615
Term loans	22	4.80	2,507	-	-	-	-	-	2,507
RCPS liability	16	7.64	-	974	5,985	-	-	-	6,959
<b>Floating rates</b>									
Term loans	23	10.00	1,370	-	-	-	-	-	1,370
Short term funds	14	1.48	5,987	-	-	-	-	-	5,987

# NOTES TO THE FINANCIAL STATEMENTS

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## 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (ii) Interest rate risk (Cont'd)

The following tables set out the carrying amounts, the weighted average effective interest rates as at the end of reporting period and the remaining maturities of the financial instruments of the Group and of the Company that are exposed to interest rate risk (continued):

Group	Note	Weighted average effective interest rate %	Within 1 year RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	More than 5 years RM'000	Total RM'000
At 31 March 2021									
Fixed rates									
Fixed deposits with licensed banks	14	1.54	15,006	-	-	-	-	-	15,006
Term loans	22	6.06	41,685	4,198	1,220	1,220	1,220	535	50,078
RCPS liability	16	7.64	-	-	898	5,567	-	-	6,465
Floating rates									
Other borrowings	23	5.40	10,076	-	-	-	-	-	10,076
Bank overdraft	21	6.40	1,585	-	-	-	-	-	1,585
Short term funds	14	3.47	1,111	-	-	-	-	-	1,111



# NOTES TO THE FINANCIAL STATEMENTS

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## 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (ii) Interest rate risk (Cont'd)

The following tables set out the carrying amounts, the weighted average effective interest rates as at the end of reporting period and the remaining maturities of the financial instruments of the Group and of the Company that are exposed to interest rate risk (continued):

Company	Note	Weighted average effective interest rate %	Within 1 year RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	More than 5 years RM'000	Total RM'000
At 31 March 2022									
Fixed rates									
Fixed deposits with licensed banks	14	1.70	2,100	-	-	-	-	-	2,100
Amounts due from subsidiaries	11	10.00	78,087	-	-	-	-	-	78,087
Floating rates									
Short term funds	14	1.48	5,987	-	-	-	-	-	5,987

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (ii) Interest rate risk (Cont'd)

The following tables set out the carrying amounts, the weighted average effective interest rates as at the end of reporting period and the remaining maturities of the financial instruments of the Group and of the Company that are exposed to interest rate risk (continued):

Company	Note	Weighted average effective interest rate %	Within 1 year RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	More than 5 years RM'000	Total RM'000
At 31 March 2022									
Fixed rates									
Fixed deposits with licensed banks	14	1.70	2,100	-	-	-	-	-	2,100
Amounts due from subsidiaries	11	7.50	61,757	-	-	-	-	-	61,757
Floating rates									
Other borrowings	23	5.14	8,000	-	-	-	-	-	8,000
Short term funds	14	3.47	1,111	-	-	-	-	-	1,111

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (iii) Liquidity and cash flow risks

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of the Group.

The Group actively manages its operating cash flow to ensure all commitments and funding needs are met. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

#### Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the liabilities of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations.

2022	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<b>Group</b>				
<b>Financial liabilities</b>				
Trade and other payables	37,244	22,833	–	60,077
RCPS liability	–	8,096	–	8,096
Lease liabilities	248	364	6,070	6,682
Borrowings	4,134	–	–	4,134
Total undiscounted financial liabilities	41,626	31,293	6,070	78,989
<b>Company</b>				
<b>Financial liabilities</b>				
Trade and other payables	1,894	–	–	1,894
Lease liabilities	64	–	–	64
Total undiscounted financial liabilities	1,958	–	–	1,958

# NOTES TO THE FINANCIAL STATEMENTS

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## 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (iii) Liquidity and cash flow risks (Cont'd)

#### Analysis of financial instruments by remaining contractual maturities (Cont'd)

The table below summarises the maturity profile of the liabilities of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations (Cont'd).

2021	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<b>Group</b>				
<b>Financial liabilities</b>				
Trade and other payables	35,891	13,658	–	49,549
RCPS liability	–	8,096	–	8,096
Lease liabilities	1,020	801	6,070	7,891
Borrowings	56,293	8,232	563	65,088
Derivative liability	344	–	–	344
Total undiscounted financial liabilities	93,548	30,787	6,633	130,968
<b>Company</b>				
<b>Financial liabilities</b>				
Trade and other payables	4,081	–	–	4,081
Lease liabilities	46	–	–	46
Borrowings	8,411	–	–	8,411
Derivative liability	344	–	–	344
Total undiscounted financial liabilities	12,882	–	–	12,882

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (iv) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in foreign exchange rates.

The Group is subject to foreign exchange fluctuations through the import and export of finished goods. The Group also has cash and bank balances, receivables, payables and borrowings denominated in foreign currencies. At the end of reporting period, the Group holds bank balance denominated in foreign currencies as disclosed in Note 14(f) to the financial statements.

The Group is also exposed to foreign currency risk in respect of the foreign subsidiaries.

#### Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity analysis of the Group and of the Company to a reasonably possible change of exchange rates in the US Dollar ("USD"), British Pound ("GBP"), and Australian Dollar ("AUD") against RM respectively, with all variables held constant. 3% is the sensitivity rate used when reporting foreign currency risk exposures internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates.

		Group		Company	
		2022	2021	2022	2021
		RM'000	RM'000	RM'000	RM'000
<b>Profit/(Loss) after tax</b>					
USD/RM	- strengthen by 3%				
	(2021: 3%)	(145)	48	-	235
	- weaken by 3%				
	(2021: 3%)	145	(48)	-	(235)
GBP/RM	- strengthen by 3%				
	(2021: 3%)	358	(564)	(254)	217
	- weaken by 3%				
	(2021: 3%)	(358)	564	254	(217)
AUD/RM	- strengthen by 3%				
	(2021: 3%)	-	(82)	-	-
	- weaken by 3%				
	(2021: 3%)	-	82	-	-

# NOTES TO THE FINANCIAL STATEMENTS

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## 38. LITIGATIONS AGAINST THE GROUP

### (a) Claim against ESPML

On 22 July 2020, ESPML, a 60% owned indirect subsidiary of the Company received from PT Cakra Manunggal Semesta ("PT CMS"), a Notice for Arbitration to commence arbitration proceedings at the Asian International Arbitration Centre, Kuala Lumpur.

The alleged claim arises out of a BIMCO Standard Bareboat Charter "BARECON 2001" ("Charterparty") dated 16 October 2017 between ESPML and PT CMS for the vessel known as "MT. BRATASENA" and a Settlement Agreement dated 9 December 2019 between ESPML, PT CMS, ENRA SPM Sdn. Bhd. and Sea Trust Marine Pte Ltd, a related company to PT CMS ("Settlement Agreement"). PT CMS allegedly claimed that ESPML is in breach and/or repudiatory breach and/or anticipatory repudiatory breach of the Charterparty and/or Settlement Agreement.

On 6 May 2021, PT CMS served its first memorial and related documents including Witness Statement and expert report on ESPML and claimed approximately USD5.57 million.

On 11 August 2021, ESPML served its first memorial together with the related documentary evidence including Witness Statement and expert report on PT CMS to defend itself and to counter claim for loss and damages (including fines and penalties) in the excess of USD10.00 million.

On 6 May 2022, PT CMS served its second memorial and related documents including further Witness Statement and expert report on ESPML. ESPML is required to serve its second memorial together with related documentary evidence by 3 June 2022.

ESPML had on the evening of 27 May 2022, been served with a Writ of Summons in Action in Rem and Warrant of Arrest on Ratu ENRA ("RE") by PT CMS ("Arrest of Vessel"). By this arrest, PT CMS is seeking security for their claim in the said arbitration proceedings. ESPML is now seeking to lift the Arrest of the Vessel by offering the Company's undertaking to pay the costs awarded by the Tribunal or the amount settled if there is a settlement between the parties. The hearing is in the Malaysian courts and is scheduled to take place on 27 June 2022.

This arrest does not amount to a final judgment against ESPML, nor has there been any award on merits in the arbitration proceedings. ESPML has therefore not made any provision for liabilities in respect of PT CMS's claims beyond what was already recognised up to the financial year ended 31 March 2022 nor recognised any asset arising from the counter claim against PT CMS.

Parties are now awaiting hearing of the arbitration scheduled to take place on 22 to 26 August 2022.

### (b) Claim against SPM Terminal Pty Ltd ("SPMT") as the "1st Respondent" and ESPML as the "2nd Respondent"

On 11 January 2021, ESPML received from Controval USA LLC ("Controval") a Notice of Arbitration to commence arbitration proceeding following the rules of the Singapore International Arbitration Centre.

The alleged dispute arises out of a Purchase Order purportedly entered into between Controval and both Respondents relating to the engineering, procurement and fabrication of a Leased Automated Custody Transfer with 8" Coriolis Flow Meters unit installed on a condensate storing, offloading facilities belonging to ESPML known as "Ratu ENRA".

The Claimant is claiming a sum of USD381,211 allegedly for unpaid invoices under the Contract, interest on the amount awarded from 7 July 2020 until settlement of the award, all arbitration costs including the Claimant's representative's costs and expenses and such other amounts deemed appropriate by the Arbitral Tribunal.

ESPML served its Defence and Counterclaim on the 9th of July 2021. Controval served their Reply and Defence to Counterclaim on the 6th of August 2021. ESPML served its Rejoinder and Reply to Counterclaim on the 20 August 2021.

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 38. LITIGATIONS AGAINST THE GROUP (CONT'D)

- (b) Claim against SPM Terminal Pty Ltd ("SPMT") as the "1st Respondent" and ESPML as the "2nd Respondent" (Cont'd)

Controval has requested for a mutual settlement and suspended the Arbitration process on 25th October 2021. Both parties are negotiating for the settlement agreement.

At this stage, the Company is unable to determine reliably the potential financial impact on the Group's results for the period ended 31 March 2022.

## 39. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) COVID-19 Pandemic

The 2019 Novel Coronavirus infection ("COVID-19") was declared a pandemic by the World Health Organisation on 11 March 2020. The Government of Malaysia imposed a Movement Control Order ("MCO") on 18 March 2020 and subsequently entered into various phases and intensity of MCO depending on the statistic and the severity of the active cases.

Since then, the Group and the Company have experienced certain disruption to its operations including:

- (i) distorted level of demand for certain products and services as a consequence of cashflow management and cost optimisation exercises by certain customers; and
- (ii) uncertainty of the various movement control orders in practice in respect of permitted political, economic and social activities.

On 8 March 2022, the Government of Malaysia announced that the Country will begin its transition to endemic phase of COVID-19 from 1 April 2022 with the opening of its international borders and abolishment of certain COVID-19 restrictions.

As at the date of authorisation of the financial statements, the COVID-19 pandemic situation is still evolving and uncertain. The Group and the Company have therefore considered the impact of the COVID-19 pandemic across its business operations and took the necessary precautions and provisions where necessary. The Group and the Company will also continue to actively monitor and manage its funds and operations to minimise any impact arising from the COVID-19 pandemic.

- (b) Disposal of subsidiary

As disclosed in Note 6(c) to the financial statements, the Group disposed ENRA Kimia Group during the year for a total cash consideration of RM50.00 million. The disposal was completed on 30 November 2021.

- (c) Proposed acquisition and lease-back of assets

On 8 July 2021, the Company issued a Non-Binding Indicative Offer ("NBIO") to MTU Services (Malaysia) Sdn. Bhd, ("MSM"), a company incorporated in Malaysia, for the proposed acquisition and subsequent lease-back of certain properties, plant and machineries of MSM. The estimated purchase consideration amounting to RM60.0 million. MSM has accepted the NBIO on the same date.

As at the date of authorisation of the financial statements, the proposed acquisition and lease back of assets has yet to be completed.

# NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

## 40. SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 1 June 2022, the Company has made the first award of ESOS Options under the ESS ("1st Award") with the first tranche options of 2,440,000 and second tranche of 3,660,000 at the exercise price of RM1.10.

A total of 6,100,000 ESOS Options were allocated to the eligible directors and employees of the Company and its subsidiaries, of which 3,200,000 ESOS Options were allocated to the Directors of the Company.

## 41. ADOPTION OF NEW MFRSS AND AMENDMENTS TO MFRSS

### 41.1 New MFRSSs adopted during the financial year

The Group and the Company adopted the following Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
<i>Interest Rate Benchmark Reform - Phase 2</i> (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)	1 January 2021
<i>Covid-19-Related Rent Concessions beyond 30 June 2021</i> (Amendment to MFRS 16 Leases)	1 April 2021 (early adopted)

Adoption of the above Standards did not have any material effect on the financial performance or position of the Group and of the Company.

### 41.2 New MFRSSs that have been issued, but only effective for annual periods beginning on or after 1 January 2022

Title	Effective Date
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments since the effects would only be observable for future financial years.



## PROPERTIES OWNED BY THE GROUP

	Location/ Address	Built-Up Area (Sq. Ft.)	Existing Use/ Description of Property	Tenure	Approximate Age of Building	Carrying Amount As At 31 March 2022 (RM'000)	Asset Category
1	Condominium units: C-35-03A	873	Residential unit for sale	Leasehold	6 years	4,602	Inventories
2	C-23A-08	873	Residential unit for sale	Leasehold			
3	R-09-03A	1,054	Residential unit for sale	Leasehold			
4	C-10-03A	1,054	Residential unit for sale	Leasehold			
5	R-08-01	1,272	Residential unit for sale	Leasehold			
6	R-13A-03A	1,054	Residential unit for sale	Leasehold			
7	R-08-12  located at Shamelin Star Residences, 36A, Jalan 4/91, Taman Shamelin Perkasa, 56100 Kuala Lumpur (owned by ENRA Group Berhad)	1,272	Residential unit for sale	Leasehold			
8	Marjorie Hume House, Church Walk, Church Street, Rugby, the United Kingdom, held under title WK205515 (owned by Caldecott Square Rugby Limited)	N/A	Vintage building for redevelopment	Freehold	133 years	26,235	Inventories (redevelopment to senior living)
9	Herbert Gray College, Little Church Street, Rugby, the United Kingdom, held under title WK167310 (owned by Caldecott Square Rugby Limited)	N/A	Vintage building for redevelopment	Freehold	173 years		
10	St Andrew's Church House, Church Walk, Church Street, Rugby, the United Kingdom, held under title WK462131 (owned by Abode Caldecott Square Development Limited)	N/A	Vintage building for redevelopment	Freehold	83 years (ASLI)	6,160	
11	1 Freehold Title held under Title Number: NGL748650 in a 5 storey Grade II Listed Building known as 93 Great Titchfield Street, W1W 6RP London, United Kingdom (owned by Fitzrovia Development Limited)	N/A	Freehold title for sale	Freehold	216 years	221	Inventories
12	Leasehold land (yet to be reclaimed), under title Pajakan Negeri No. Hakmilik 11169, Lot 30648, Daerah Wilayah Persekutuan Labuan (owned by ENRA Labuan Sdn. Bhd.)	2,613,600 square feet (24.28 hectares/ 60 acres)	Undersea land (yet to be reclaimed)	Leasehold until 26 May 2076	N/A	8,893	Right-of-use Asset
13	Land under title 911, Lot 984, Kayu Ara, Mukim Rasah, Seremban, Negeri Sembilan Darul Khusus (owned by Hamptons Homes Sdn. Bhd.)	121,966 square feet (1.1331 hectares/ 2.471 acres)	Land held for property development	Freehold	N/A	4,206	Inventories
14	Land under title 522, Lot 605, Kayu Ara, Mukim Rasah, Seremban, Negeri Sembilan Darul Khusus (owned by Hamptons Homes Sdn. Bhd.)	138,575 square feet (1.2784 hectares/ 3.181 acres)	Land held for property development	Freehold	N/A		Inventories

## PROPERTIES OWNED BY THE GROUP

	Location/ Address	Built-Up Area (Sq. Ft.)	Existing Use/ Description of Property	Tenure	Approximate Age of Building	Carrying Amount As At 31 March 2022 (RM'000)	Asset Category
15	Malay reserved land under title 1077, Lot 1879, Batu 9, Jalan Klang, Mukim Teluk Panglima Garang, Kuala Langat, Selangor Darul Ehsan (developed by Merpati TPG Sdn. Bhd., under a Joint Venture Agreement with the land owner)	91,213 square feet (0.8474 hectares/ 2.094 acres)	Land held for property development under affordable homes project	Freehold	N/A	5,558	Inventories
16	Malay reserved land under title 45, Lot 5292, Batu 10, Jenderam Hulu, Mukim Dengkil, Sepang, Selangor Darul Ehsan (developed by DV Homes Sdn. Bhd., under a Joint Venture Agreement with the land owner)	165,269 square feet (1.5354 hectares/ 3.794 acres)	Land held for property development under affordable homes project	Leasehold until 15 Dec 2079	N/A	5,973	Inventories
17	Malay reserved land under title 2844, Lot 6452, Batu 7, Jalan Maran, Mukim Bukit Segumpal, Maran, Pahang Darul Makmur (developed by Makmur Homes Sdn. Bhd., under a Joint Venture Agreement with the land owner)	285,889 square feet (2.656 hectares/ 6.563 acres)	Land held for property development under affordable homes project	Leasehold until 3 Jan 2062	N/A	7,586	Inventories
18	Malay reserved land under title 1287, Lot 4157, Bukit Kemandol, Mukim Teluk Panglima Garang, Kuala Langat, Selangor Darul Ehsan (developed by Prominent Archway Sdn Bhd, under a Joint Venture Agreement with the land owners)	161,986 square feet (1.5049 hectares/ 3.719 acres)	Land held for property development under affordable homes project	Leasehold until 18 Jan 2072	N/A	5,212	Inventories
19	Malay reserved land under title 712, Lot 51, Mukim Morib, Kuala Langat, Selangor Darul Ehsan (developed by Prominent Archway Sdn Bhd, under a Joint Venture Agreement with the land owners.)	76,230 square feet (0.8852 hectare/ 1.75 acres)	Land held for property development under affordable homes project	Freehold	N/A	1,448	Inventories
20	Malay reserved land under title 1139, Lot 52, Mukim Pekan Tongkah, Kuala Langat, Selangor Darul Ehsan (developed by Merpati TPG Sdn Bhd, under a Joint Venture Agreement with the land owners.)	145,578 square feet (1.176 hectare/ 3.342 acres)	Land held for property development under affordable homes project	Freehold	N/A	4,523	Inventories
21	Malay reserved land under title 4942, Lot 1531, Jalan Makmur, Mukim Ijuk, Kuala Selangor, Selangor Darul Ehsan (developed by BRP HOMES Sdn Bhd, under a Joint Venture Agreement with the land owners.)	145,578 square feet (2.5698 hectare/ 6.35 acres)	Land held for property development under affordable homes project	Leasehold until 29 September 2113	N/A	4,177	Inventories

# ANALYSIS OF SHAREHOLDINGS

AS AT 16 JUNE 2022

Type of securities	: Ordinary shares
Issued Share Capital	: 134,918,543
Treasury shares	: 1,289,400
Voting Rights	: 1 Vote per ordinary share

## SHAREHOLDINGS DISTRIBUTION

Size of Shareholdings	No. of Shareholders	%*	No. of Shares	%*
Less than 100 shares	286	14.16	6,982	0.01
100 to 1,000 shares	1,138	56.34	749,529	0.56
1,001 to 10,000 shares	450	22.28	1,616,731	1.20
10,001 to 100,000 shares	89	4.41	3,256,016	2.41
100,001 to less than 5% of issued shares	53	2.62	75,965,485	56.30
5% and above of issued shares	4	0.20	53,323,800	39.52
<b>Total</b>	<b>2,020</b>	<b>100.00</b>	<b>134,918,543</b>	<b>100.00</b>

\* Excluding a total of 1,289,400 ordinary shares bought back by the Company and retained as treasury shares.

## THIRTY LARGEST SHAREHOLDERS AS PER RECORD OF DEPOSITORS (Excluding 1,289,400 treasury shares)

No.	Name of Shareholders	No. of Shares	%*
1.	CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Trillion Icon Sdn. Bhd. (PB)</i>	16,962,000	12.57
2.	Maybank Nominees (Tempatan) Sdn. Bhd. <i>Pledged securities account for Mizreen Capital Sdn. Bhd. (MBB HK-417261)</i>	13,400,000	9.93
3.	Maybank Securities Nominees (Tempatan) Sdn. Bhd. <i>Maybank Securities Pte Ltd ities Pte. Ltd. (A/C 649063)</i>	12,961,800	9.61
4.	CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Carrillo Capital Sdn. Bhd. (PB)</i>	10,000,000	7.41
5.	Vista Icon Sdn. Bhd.	6,227,400	4.62
6.	CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Paling Terbilang Sdn. Bhd. (PB)</i>	6,000,000	4.45
7.	CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Kamaluddin bin Abdullah (PB)</i>	5,350,000	3.97
8.	Action Venture Sdn. Bhd.	5,000,000	3.71
9.	Ambank (M) Berhad <i>Pledged securities account for Ali bin Abdul Kadir (SMART)</i>	4,900,000	3.63
10.	Citigroup Nominees (Asing) Sdn. Bhd. <i>Exempt AN for Bank of Singapore Limited (Foreign)</i>	4,096,185	3.04

# ANALYSIS OF SHAREHOLDINGS

AS AT 16 JUNE 2022

## THIRTY LARGEST SHAREHOLDERS AS PER RECORD OF DEPOSITORS (CONT'D) (Excluding 1,289,400 treasury shares)

No.	Name of Shareholders	No. of Shares	%*
11.	Ariv Holdings Sdn. Bhd.	4,000,000	2.96
12.	CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Kok Kong Chin (PB)</i>	3,000,000	2.22
13.	Maybank Nominees (Tempatan) Sdn. Bhd. <i>Pledged securities account for Loh Chen Yook</i>	3,000,000	2.22
14.	CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Amira Properties Sdn. Bhd. (in members' voluntary liquidation) (PB)</i>	2,572,600	1.91
15.	Kenanga Nominees (Tempatan) Sdn. Bhd. <i>Pledged securities account for Loh Chen Yook (021)</i>	2,566,300	1.90
16.	Kenanga Nominees (Tempatan) Sdn. Bhd. <i>Pledged securities account for Yau Kok Seng (001)</i>	2,212,000	1.64
17.	Maybank Nominees (Tempatan) Sdn. Bhd. <i>Pledged securities account for Azmil Khalili bin Khalid</i>	2,100,000	1.56
18.	Leong Man Loong	2,094,700	1.55
19.	Sharifah Salwa binti Syed Kamaruddin	2,000,000	1.48
20.	Kenanga Nominees (Tempatan) Sdn. Bhd. <i>Pledged securities account for Rica Holdings (M) Sdn. Bhd.</i>	1,950,000	1.45
21.	CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Intelek Kuasa Sdn. Bhd. (PB)</i>	1,400,000	1.04
22.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. <i>Pledged securities account for Tan Kian Aik (8058967)</i>	1,233,500	0.91
23.	Kenanga Nominees (Tempatan) Sdn. Bhd. <i>Pledged securities account for Chow Zee Neng</i>	1,200,000	0.89
24.	Chong Mee Sin	1,161,700	0.86
25.	Anuar bin Ahmad	1,000,000	0.74
26.	CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Wee Yiau Hin @ Ong Yiau Hin (PB)</i>	1,000,000	0.74
27.	Trillion Icon Sdn. Bhd.	1,000,000	0.74
28.	Maybank Securities Nominees (Asing) Sdn. Bhd. <i>Maybank Securities Pte Ltd for Cheah Teik Seng</i>	769,400	0.57
29.	Hoo Yuen Kim	761,100	0.56
30.	Lee Kai Huat	718,000	0.53
<b>Total</b>		<b>120,636,685</b>	<b>89.41</b>

\* Excluding a total of 1,289,400 ordinary shares bought back by the Company and retained as treasury shares.

# ANALYSIS OF SHAREHOLDINGS

AS AT 16 JUNE 2022

## SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

No.	Name of Substantial Shareholders	Direct Interest	No. of Shares Held		%*
			%*	Indirect Interest	
1.	Tan Sri Dato' Kamaluddin bin Abdullah	5,357,629	3.97	35,362,000 <i>a</i>	26.21
2.	Dato' Mazlin bin Md Junid	—	—	13,400,200 <i>b</i>	9.93
3.	Izreen Natalia binti Mazlin	—	—	13,400,200 <i>b</i>	9.93
4.	Ikhmal Mirza bin Mazlin	—	—	13,400,200 <i>b</i>	9.93
5.	Trillion Icon Sdn. Bhd.	17,962,000	13.31	—	—
6.	Mizreen Capital Sdn. Bhd.	13,400,200	9.93	—	—
7.	Chua Ming Huat	10,969,400	8.13	2,515,600 <i>d</i>	1.86
8.	Carrillo Capital Sdn. Bhd.	10,000,000	7.41	—	—

## DIRECTORS' SHAREHOLDINGS AS PER THE REGISTER OF DIRECTORS

No.	Name of Directors	Direct Interest	No. of Shares Held		%*
			%*	Indirect Interest	
1.	Datuk Ali bin Abdul Kadir	4,900,000	3.63	—	—
2.	Tan Sri Dato' Kamaluddin bin Abdullah	5,357,629	3.97	35,362,000 <i>a</i>	26.21
3.	Kok Kong Chin	3,000,000	2.22	—	—
4.	Tan Sri Dato' Seri Shamsul Azhar bin Abbas	—	—	2,000,000 <i>c</i>	1.48
5.	Dato' Wee Yiau Hin	1,000,000	0.74	—	—
6.	Loh Chen Yook	5,566,300	4.13	—	—
7.	Tunku Afwida binti Tunku Abdul Malek	—	—	—	—

Notes:

*a* Indirect interest held through Trillion Icon Sdn. Bhd., Paling Terbilang Sdn. Bhd., Intelek Kuasa Sdn. Bhd. and Carrillo Capital Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016 ("the Act").

*b* Indirect interest held through Mizreen Capital Sdn. Bhd. pursuant to Section 8(4) of the Act.

*c* Indirect interest held through his spouse, Puan Sri Sharifah Salwa Syed Kamaruddin's direct interest in the Company pursuant to Section 59(11)(c) of the Act.

*d* Indirect interest held through KCT Investments, Inc and Summit Investment Partners Limited pursuant to Section 8(4) of the Act.

\* Excluding 1,289,400 ordinary shares bought back by the Company and retained as treasury shares.

# ANALYSIS OF WARRANTHOLDINGS

AS AT 16 JUNE 2022

Type of securities : Warrants 2020/2025  
 Issued Date : 29 December 2020  
 Maturity Date : 26 December 2025

## DISTRIBUTION OF WARRANTHOLDINGS

Size of Warrantholdings	No. of Warrantholders	%	No. of Warrants Held	%
Less than 100 warrants	331	16.91	5,756	0.01
100 to 1,000 warrants	1,326	67.76	412,682	0.92
1,001 to 10,000 warrants	189	9.66	707,527	1.57
10,001 to 100,000 warrants	74	3.78	2,911,755	6.47
100,001 to less than 5% of warrants in issue	31	1.58	18,454,423	41.04
5% and above warrants in issue	6	0.31	22,479,830	49.99
<b>Total</b>	<b>1,957</b>	<b>100.00</b>	<b>44,971,973</b>	<b>100.00</b>

## THIRTY LARGEST WARRANTHOLDERS AS PER RECORD OF DEPOSITORS

No.	Name of Warrantholders	No. of Warrants	%*
1.	CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Trillion Icon Sdn. Bhd. (PB)</i>	5,654,000	12.57
2.	Maybank Nominees (Tempatan) Sdn. Bhd. <i>Pledged securities account for Mizreen Capital Sdn. Bhd. (MBB HK-417261)</i>	4,466,666	9.93
3.	Maybank Securities Nominees (Tempatan) Sdn. Bhd. <i>Maybank Securities Pte Ltd ities Pte. Ltd. (A/C 649063)</i>	3,526,266	7.84
4.	CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Carrillo Capital Sdn. Bhd. (PB)</i>	3,333,333	7.41
5.	Kenanga Nominees (Tempatan) Sdn. Bhd. <i>Pledged securities account for Loh Chen Yook (021)</i>	3,023,766	6.72
6.	Loh Chen Yook	2,475,799	5.51
7.	CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Paling Terbilang Sdn. Bhd. (PB)</i>	2,000,000	4.45
8.	CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Kamaluddin bin Abdullah (PB)</i>	1,783,333	3.97
9.	Ambank (M) Berhad <i>Pledged securities account for Ali bin Abdul Kadir (SMART)</i>	1,523,333	3.39
10.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. <i>Pledged securities account for Loh Chen Yook (8089132)</i>	1,500,000	3.34

# ANALYSIS OF WARRANTHOLDINGS

AS AT 16 JUNE 2022

**THIRTY LARGEST WARRANTHOLDERS AS PER RECORD OF DEPOSITORS (CONT'D)**

No.	Name of Warrantholders	No. of Warrants	%*
11.	Citigroup Nominees (Asing) Sdn. Bhd. <i>Exempt AN for Bank of Singapore Limited (Foreign)</i>	1,365,395	3.04
12.	Chong Mee Sin	1,226,600	2.73
13.	CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Kok Kong Chin (PB)</i>	1,000,000	2.22
14.	CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Amira Properties Sdn. Bhd. (in members' voluntary liquidation) (PB)</i>	857,533	1.91
15.	Maybank Nominees (Tempatan) Sdn. Bhd. <i>Pledged securities account for Azmil Khalili bin Khalid</i>	700,000	1.56
16.	Sharifah Salwa binti Syed Kamaruddin	666,666	1.48
17.	Maybank Nominees (Tempatan) Sdn. Bhd. <i>Chong Kow</i>	550,000	1.22
18.	Kenanga Nominees (Tempatan) Sdn. Bhd. <i>Pledged securities account for Francis Chai Kim Lung</i>	500,000	1.11
19.	CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Intelek Kuasa Sdn. Bhd. (PB)</i>	466,666	1.04
20.	Anuar bin Ahmad	333,333	0.74
21.	CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Wee Yaw Hin @ Ong Yiau Hin (PB)</i>	333,333	0.74
22.	Trillion Icon Sdn. Bhd.	333,333	0.74
23.	M&A Nominee (Tempatan) Sdn. Bhd. <i>Pledged securities account for Mizreen Capital Sdn. Bhd. (M&amp;A)</i>	320,566	0.71
24.	Maybank Nominees (Tempatan) Sdn. Bhd. <i>Cheong Chee</i>	311,600	0.69
25.	Terence Harold Chern-Wei Fredericks	253,000	0.56
26.	Ong Lai Thooi	250,100	0.56
27.	Kok Chee Aun	240,000	0.53
28.	Maybank Securities Nominees (Asing) Sdn. Bhd. <i>Maybank Securities Pte. Ltd. for Cheah Teik Seng</i>	239,800	0.53
29.	Tang Soo Ching	229,200	0.51
30.	Khoo Chang Chiang	221,566	0.49
<b>Total</b>		<b>39,685,187</b>	<b>88.24</b>

# ANALYSIS OF WARRANTHOLDINGS

AS AT 16 JUNE 2022

## SUBSTANTIAL WARRANTHOLDERS AS PER THE REGISTER OF SUBSTANTIAL WARRANTHOLDERS

No.	Name of Substantial Warrantholders	Direct Interest	No. of Warrants Held		%*
			%*	Indirect Interest	
1.	Tan Sri Dato' Kamaluddin bin Abdullah	1,785,876	3.97	11,787,332 <i>a</i>	26.21
2.	Dato' Mazlin bin Md Junid	–	–	4,787,232 <i>b</i>	10.64
3.	Izreen Natalia binti Mazlin	–	–	4,787,232 <i>b</i>	10.64
4.	Ikhmal Mirza bin Mazlin	–	–	4,787,232 <i>b</i>	10.64
5.	Trillion Icon Sdn. Bhd.	5,987,333	13.31	–	–
6.	Mizreen Capital Sdn. Bhd.	4,787,232	10.64	–	–
7.	Chua Ming Huat	3,473,133	7.72	227,533 <i>c</i>	0.51
8.	Carrillo Capital Sdn. Bhd.	3,333,333	7.41	–	–
9.	Loh Chen Yook	6,999,565	15.56	–	–

## DIRECTORS' WARRANTHOLDINGS AS PER THE REGISTER OF DIRECTORS' WARRANTHOLDINGS

No.	Name of Directors	Direct Interest	No. of Warrants Held		%*
			%*	Indirect Interest	
1.	Datuk Ali bin Abdul Kadir	1,523,333	3.39	–	–
2.	Tan Sri Dato' Kamaluddin bin Abdullah	1,785,876	3.97	11,787,332 <i>a</i>	26.21
3.	Kok Kong Chin	1,000,000	2.22	–	–
4.	Tan Sri Dato' Seri Shamsul Azhar bin Abbas	–	–	666,666 <i>d</i>	1.48
5.	Dato' Wee Yaw Hin	333,333	0.74	–	–
6.	Loh Chen Yook	6,999,565	15.56	–	–
7.	Tunku Afwida binti Tunku Abdul Malek	–	–	–	–

Notes:

*a* Indirect interest held through Trillion Icon Sdn. Bhd., Paling Terbilang Sdn. Bhd., Intelek Kuasa Sdn. Bhd. and Carrillo Capital Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016 ("the Act").

*b* Indirect interest held through Mizreen Capital Sdn. Bhd. pursuant to Section 8(4) of the Act.

*c* Indirect interest held through KCT Investments, Inc and Summit Investment Partners Limited pursuant to Section 8(4) of the Act.

*d* Indirect interest held through his spouse, Puan Sri Sharifah Salwa Syed Kamaruddin's direct interest in the Company pursuant to Section 59(1)(c) of the Act.



# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Thirtieth (30th) Annual General Meeting of ENRA Group Berhad (“Company”) will be held **virtually and live-streamed** for the purpose of considering and if thought fit, passing with or without modifications the resolutions setting out in this notice.

Meeting Platform : Securities Services e-Portal (“SS e-Portal”) at <https://sshsb.net.my/>  
 Day and Date : Tuesday, 27 September 2022  
 Time : 10.00 a.m.  
 Broadcast Venue : Meeting Room of Securities Services (Holdings) Sdn Bhd,  
 Level 7, Menara Milenium, Jalan Damanlela,  
 Pusat Bandar Damansara, Damansara Heights,  
 50490 Kuala Lumpur, Malaysia

Mode of Communication : 1) Typed texts through a text box within SS e-Portal before the start or during the live streaming.  
 2) Alternatively, you may submit your questions to [ir@enra.my](mailto:ir@enra.my) by 10.00 a.m. on 25 September 2022 (48 hours before the commencement of the 30th AGM) and the Board of Directors (“Board”) will endeavour to respond to the questions submitted during the 30th AGM.

## AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements of the Company for the financial year ended 31 March 2022 together with the Reports of the Directors and Auditors thereon. *(Please refer to Note 1 of the Explanatory Notes)*
2. To re-elect Datuk Ali Bin Abdul Kadir who retires in accordance with Clause 18.3 of the Constitution of the Company. *(Ordinary Resolution 1)*
3. To re-elect Dato’ Wee Yiau Hin who retires in accordance with Clause 18.3 of the Constitution of the Company. *(Ordinary Resolution 2)*
4. To re-elect Tunku Afwida Binti Tunku Abdul Malek who retires in accordance with Clause 18.2 of the Constitution of the Company. *(Ordinary Resolution 3)*
5. To approve the Directors’ fees and benefits payable to the Non-Executive Directors of up to RM500,000 with effect from 28 September 2022 until the next Annual General Meeting of the Company. *(Ordinary Resolution 4)*
6. To re-appoint Messrs BDO PLT as Auditors of the Company to hold office until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. *(Ordinary Resolution 5)*

## AS SPECIAL BUSINESS

To consider and if thought fit, pass the following resolutions, with or without modifications:

7. **Proposed grant of options to subscribe for (“ESOS Options”) or award of ordinary shares (“ESGP Awards”) under the Employees’ Share Scheme (“ESS”) (Collectively, “ESS Awards”) to Tunku Afwida Binti Tunku Abdul Malek, an Independent Non-Executive Director of the Company** *(Ordinary Resolution 6)*

“THAT subject to the passing of Ordinary Resolution 3, approval be and is hereby given to the Board to authorise the ESS Committee to award, at any time and from time to time throughout the duration of the ESS, ESS Awards to Tunku Afwida Binti Tunku Abdul Malek, an Independent Non-Executive Director of the Company, subject always to the following provisions :

- (i) she must not participate in the deliberation or discussion of her own allocation of new ENRA Shares to be issued under the ESS; and

# NOTICE OF ANNUAL GENERAL MEETING

- (ii) not more than 10% of the new ENRA Shares available under the ESS shall be allocated to her, if she, either singly or collectively through persons connected with her, holds 20% or more of the total number of issued ENRA Shares in the capital of the Company (excluding treasury shares);

and provided always that it is in accordance with any prevailing guidelines, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, or any other authorities as amended from time to time and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the By-Laws of the ESS.”

**8. Authority to Issue Shares pursuant to Sections 75 and 76 of the Companies Act, 2016**

*(Ordinary Resolution 7)*

“THAT subject always to the Companies Act, 2016, the Constitution of the Company and approval of governmental and/or regulatory authorities (if any), the Directors of the Company be and are hereby empowered pursuant to Sections 75 and 76 of the Companies Act, 2016 to issue and allot shares in the Company at any time upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed twenty per centum (20%) of the total number of issued shares of the Company for the time being to be utilised until 31 December 2022 as empowered by Bursa Malaysia Securities Berhad pursuant to the extension of implementation period of the enhanced general mandate announced by Bursa Malaysia Berhad on 23 December 2021, (or to be utilised until a date later than 31 December 2022 as empowered by Bursa Malaysia Securities Berhad, if any) and thereafter, ten per centum (10%) of the total number of issued shares of the Company for the time being as stipulated under Paragraph 6.03(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad to be utilised before the conclusion of the next Annual General Meeting of the Company;

AND THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing and quotation for the additional shares to be issued and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company”

**9. Proposed Renewal of Share Buy-Back Authority**

*(Ordinary Resolution 8)*

“THAT subject always to the Companies Act, 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Constitution of the Company and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors in their discretion deem fit and expedient in the best interest of the Company, provided that:-

- (a) the aggregate number of shares purchased does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of the purchase(s) and if the Company ceases to hold all or part of such shares purchased as a result of, amongst others, cancellation, re-sale and/or distribution of the shares purchased, the Company may further purchase such additional shares provided that the total number of additional shares purchased together with such shares still held/retained as treasury shares (if any) does not, in aggregate, exceed ten per centum (10%) of the total number of issued shares of the Company at the time of the purchase(s); and

## NOTICE OF ANNUAL GENERAL MEETING

- (b) the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the total retained profits of the Company based on the latest audited financial statements and/or the latest management accounts of the Company (where applicable) available at the time of the purchase(s).

THAT the Directors of the Company be and are hereby authorised, at their absolute discretion, to deal with the shares so purchased by retaining the shares purchased as treasury shares or cancelling the shares or retaining part of the shares so purchased as treasury shares and cancelling the remainder or such other manner as allowed under the Companies Act, 2016.

THAT the authority conferred by this resolution shall commence upon the passing of this ordinary resolution and continue to be in force until:-

- (i) the conclusion of the next Annual General Meeting ("AGM") at which time it shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first.

AND THAT authority be and is hereby given to the Directors of the Company to do all acts and things as are necessary to give full effect to the purchase by the Company of its own shares with full powers to assent to any conditions, modifications, variations and/or amendments as the Directors may deem fit and expedient in the interests of the Company or as may be imposed by the relevant authorities."

**10. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

*(Ordinary Resolution 9)*

"THAT approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions from time to time, which are necessary for the day-to-day operations as set out in Section 2.3 of Part B of the Circular to Shareholders dated 28 July 2022 which are of a revenue or trading nature and carried out in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company, subject to the compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, Companies Act, 2016 ("the Act"), the Company's Constitution and all other applicable laws, guidelines, rules and regulations.

THAT such authority shall commence upon the passing of this resolution and shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time the mandate will lapse, unless by a resolution passed at the next AGM, the mandate is renewed; or
- (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

# NOTICE OF ANNUAL GENERAL MEETING

THAT authority be and is hereby given to the Directors of the Company to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.”

11. To transact any other business of which due notice shall have been given.

By Order of the Board

## CHIN SOO CHING

MAICSA 7042265

SSM Practicing Certificate No. 202008002101

Company Secretary

Kuala Lumpur

28 July 2022

## NOTES:

1. The 30th AGM will be held as a virtual meeting conducted entirely through live streaming and remote voting using the remote participation and voting facilities hosted on the Securities Services e-Portal at <https://sshsb.net.my/> provided by SS E Solutions Sdn. Bhd. Kindly refer to the Administrative Guide for the AGM in order to register, participate and vote remotely via the RPV facilities.
2. The venue of the 30th AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act, 2016 which requires the Chairman of Meeting to be present at the main venue. **No shareholders/proxy(ies) from the public shall be physically present at nor admitted to the Broadcast Venue.**
3. In respect of deposited securities, only members whose names appear in the Record of Depositors on 20 September 2022 (General Meeting Record of Depositors) shall be eligible to attend and vote at this 30th AGM or appoint a proxy to attend and vote on his behalf. A proxy may but need not be a member of the Company.
4. Where a member is an authorised nominee, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said securities account. A member other than an authorised nominee shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his shareholding to be represented by each proxy.
6. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation either under Common Seal or under the hand of an officer or attorney duly authorised.
7. The Form of Proxy must be completed, signed and deposited with the Poll Administrator, SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than forty-eight (48) hours before the time set for the meeting or adjourned meeting. Alternatively, The Form of Proxy can be electronically submitted at <https://sshsb.net.my/> or by fax to +603 2094 9940 or by email to [eservices@sshsb.com.my](mailto:eservices@sshsb.com.my) before the Form of Proxy lodgement cut-off time as mentioned above. Please refer to the Administrative Guide for the procedures on electronic lodgement of Form of Proxy.

# NOTICE OF ANNUAL GENERAL MEETING

## EXPLANATORY NOTES ON ORDINARY BUSINESS:

### 1. Audited Financial Statements

Agenda item no. 1 is meant for discussion only pursuant to Section 340(1)(a) of the Companies Act, 2016 and will not be put forward for voting.

### 2. Re-election of Directors who retire pursuant to Articles 18.3 and 18.2 of the Constitution of the Company

Article 18.3 provides that at least one-third (1/3) of the Directors for the time being, shall retire from office and be eligible for re-election. Datuk Ali Bin Abdul Kadir and Dato' Wee Yiau Hin being eligible, have offered themselves for re-election at this AGM.

Article 18.2 provides that a Director appointed by the Board shall hold office only until the next following annual general meeting and shall be eligible for re-election. Tunku Afwida Binti Tunku Abdul Malek has offered herself for re-election at this AGM.

For the purpose of determining the eligibility of Directors standing for re-election at this AGM, all Directors with the exception of Tunku Afwida Binti Tunku Abdul Malek who was newly appointed on 8 March 2022, had undergone a board effective evaluation to assess the performance and contribution of each individual Director, taking into consideration among others, competencies, fit and proper, time commitment, calibre and personality, as well as the level of independence demonstrated by the Independent Directors. Based on the overall results of the evaluation, the individual Directors met the performance criteria required of an effective Board. Given the relative recency of Tunku Afwida Binti Tunku Abdul Malek tenure as Director, a comprehensive performance evaluation of her as Director will only be carried out in the financial year 2023. The Board recommends the re-election of all retiring Directors. The retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant Board meeting.

### 3. Non-Executive Directors' ("NEDs") Remuneration

- (a) At the 29th AGM of the Company held on 22 October 2021, the shareholders had approved the payment of Directors' fees and benefits (meeting allowance) to the NEDs up to RM500,000 for the period from the conclusion of the 29th AGM until the conclusion of the 30th AGM.

Total amount of the Directors' fees and benefits (meeting allowance) utilised for the said period (12 months) based on the remuneration policy for NEDs was RM437,000, which was about 87.4% of the approved amount.

- (b) Ordinary Resolution No. 4 is to seek shareholders' approval for the Directors' fees and benefits payable to the NEDs for the period commencing from the conclusion of this AGM until the next Annual General Meeting of the Company.

The amount proposed is computed based on the approved remuneration policy for NEDs, the anticipated number of meetings and the assumption that all NEDs will remain in office until the 31st AGM with full attendance at the relevant meetings. The fees and meeting allowances will be paid to the NEDs upon completion of service on a quarterly basis.

Any NEDs who are shareholders of the Company will abstain from voting on Ordinary Resolution No. 4 at the 30th AGM.

Details of the Directors' fees and benefits paid to the NEDs for the financial year ended 31 March 2022 are published in the Corporate Governance Report which is available on the Company's corporate website at [www.enra.my](http://www.enra.my).

### 4. Re-appointment of Auditors

The Audit and Risk Management Committee ("ARMC") was satisfied that, based on the annual assessment conducted, Messrs BDO PLT meets the criteria as prescribed under Paragraph 15.21 of the Main Market Listing Requirements. The Board at its meeting held on 23 June 2022 agreed with the recommendation from the ARMC for shareholders' approval to be sought at the 30th AGM on the re-appointment of Messrs BDO PLT as external auditors of the Company for the financial year ending 31 March 2023.

# NOTICE OF ANNUAL GENERAL MEETING

## EXPLANATORY NOTES ON SPECIAL BUSINESS:

### 5. **Proposed grant of options to Tunku Afwida Binti Tunku Abdul Malek, an Independent Non-Executive Director of the Company**

Pursuant to Clause 5.1(b) of the By-Laws of the ESS, specific allocation of ESS Awards to a Director of the Company under the ESS must be approved by the shareholders. Subject to the passing of Ordinary Resolution 3, the proposed Ordinary Resolution 6, if passed, would empower the Directors of the Company to extend the ESS Awards to Tunku Afwida Binti Tunku Abdul Malek, who was appointed to the Board on 8 March 2022, in recognition of her contribution to the growth of the Group by allowing her equity participation in the Group.

### 6. **Authority to allot shares**

The Company had, at the 29th Annual General Meeting held on 22 October 2021, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Sections 75 and 76 of the Companies Act, 2016. At the date of this notice, the Company has not issued any shares pursuant to this mandate obtained.

The proposed Ordinary Resolution 7 is a renewal of the general mandate for issuance of shares by the Company under Sections 75 and 76 of the Companies Act, 2016. The mandate, if passed, will empower the Directors of the Company to issue and allot shares in the Company up to an amount not exceeding in total twenty per centum (20%) until 31 December 2022 (or to be utilised until a date later than 31 December 2022 as empowered by Bursa Malaysia Securities Berhad, if any) and thereafter, the ten per centum (10%) of the total number of issued shares of the Company for the time being as stipulated under Paragraph 6.03(1) of Bursa Malaysia Securities Berhad Main Market Listing Requirements shall apply (collectively known as "General Mandate") for such purposes as they consider would be in the interest of the Company, including for repayment of bank borrowings, general working capital and raising funds for investments and/or acquisitions. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

The renewal of the General Mandate is to provide flexibility to the Company to issue new shares without the need to convene a separate general meeting to obtain shareholders' approval so as to avoid incurring additional cost and time.

### 7. **Proposed Share Buy-Back Authority**

The proposed Ordinary Resolution 8, if passed, would empower the Directors of the Company to purchase such number of ordinary shares in the Company from time to time on the market of Bursa Malaysia Securities Berhad upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that the aggregate number of shares purchased pursuant to this Resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being.

This authority, unless revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting, will expire at the conclusion of the 31st AGM of the Company or the expiration of the period within which the 31st AGM is required by law to be held, whichever occurs first.

Further information on the Proposed Share Buy-Back Authority is set out in the Circular to Shareholders dated 28 July 2022.

### 8. **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

The proposed Ordinary Resolution 9, if passed, will enable the Company and/or its subsidiary companies to enter into recurrent transactions involving the interests of the related parties, which are of a revenue or trading nature and necessary for the Group's day-to-day operations, subject to the transactions being carried out in the ordinary course of business on terms not favourable than those generally available to the public and are not detrimental to the minority shareholders of the Company. Detailed information on the Proposed Renewal of Shareholders' Mandate is set out in the Circular to Shareholders dated 28 July 2022.



# NOTICE OF ANNUAL GENERAL MEETING

## **PERSONAL DATA POLICY**

*By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate, speak (in the form of real-time submission of typed texts) and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof) and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.*

# STATEMENT ACCOMPANYING NOTICE OF 30TH ANNUAL GENERAL MEETING

(PURSUANT TO PARAGRAPH 8.27 (2) OF BURSA MALAYSIA SECURITIES BERHAD  
MAIN MARKET LISTING REQUIREMENTS)

No notice in writing has been received by the Company nominating any candidate for election as Director at the 30th AGM of the Company. The Directors who are due for retirement and seeking for re-election pursuant to the Company's Constitution are as set out in the Notice of 30th AGM and their profile are set out in the Directors' Profile in the Annual Report 2022.

## **Authority for Directors to issue and allot shares in the Company pursuant to Sections 75 and 76 of the Companies Act, 2016**

This is a mandate to be obtained from the shareholders of the Company to empower the Directors of the Company to issue and allot shares up to an aggregate amount not exceeding 20% of the issued share capital of the Company for the time being until 31 December 2022 (or to be utilised until a date later than 31 December 2022 as empowered by Bursa Malaysia Securities Berhad, if any) and thereafter, the 10% of the total number of issued shares of the Company for the time being as stipulated under Paragraph 6.03(1) of Bursa Malaysia Securities Berhad Main Market Listing Requirements shall apply, for such purposes as the Directors consider would be in the best interest of the Company.

This authority unless revoked or varied by the Company at a general meeting will expire at the next AGM.

The Board is of the view that this mandate is in the best interest of the Company as it would provide flexibility to the Company for any possible fund-raising exercise, including but not limited to further placing of shares, for purpose of funding future investment projects, working capital and/or acquisitions. This authority is to avoid any delay and cost involved in convening a general meeting to approve such issuance of shares.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the 29th AGM held on 22 October 2021 and which will lapse at the conclusion of the 30th AGM.



CDS Account No.	
No. of Shares Held	

I/We \_\_\_\_\_ NRIC No./Passport No./Company No. \_\_\_\_\_  
of \_\_\_\_\_

contact number: \_\_\_\_\_ email address: \_\_\_\_\_ being a member /  
members of **ENRA GROUP BERHAD**, hereby appoint \_\_\_\_\_ NRIC No./Passport No.:  
\_\_\_\_\_ of \_\_\_\_\_

contact number: \_\_\_\_\_ email address: \_\_\_\_\_ or failing whom,  
\_\_\_\_\_ NRIC No./Passport No. \_\_\_\_\_ of \_\_\_\_\_

contact number: \_\_\_\_\_ email address: \_\_\_\_\_

or failing whom, the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf at the **Thirtieth (30th) Annual General Meeting** of the Company to be held on a **virtual basis** at the **broadcast venue at Meeting Room of Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia on Tuesday, 27 September 2022 at 10:00 a.m.** and at any adjournment thereof in the manner as indicated below:

ORDINARY RESOLUTIONS		FOR	AGAINST
1	To re-elect Datuk Ali Bin Abdul Kadir pursuant to Article 18.3 of the Company's Constitution.		
2	To re-elect Dato' Wee Yaw Hin pursuant to Article 18.3 of the Company's Constitution.		
3	To re-elect Tunku Afwida Binti Tunku Abdul Malek pursuant to Article 18.2 of the Company's Constitution.		
4	To approve an amount of up to RM500,000 as fees and benefits payable to the Non-Executive Directors.		
5	To re-appoint Messrs BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
6	To approve the proposed grant of ESS Awards to Tunku Afwida Binti Tunku Abdul Malek, an Independent Non-Executive Director of the Company.		
7	To approve the proposed authority to allot and issue shares.		
8	To approve the proposed renewal of share buy-back authority.		
9	To approve the proposed renewal of shareholders' mandate for recurrent related party transactions.		

(Please indicate with an "X" in the space provided above how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his/her discretion)

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2022

For appointment of two (2) proxies, proportion of shareholdings to be represented by the two (2) proxies is as follows: -

	No. of Shares	Percentage
Proxy 1		
Proxy 2		
Total		100%

Signature of Member/Common Seal \_\_\_\_\_

### Notes:

- The 30th AGM will be held as a virtual meeting conducted entirely through live streaming and remote voting using the remote participation and voting facilities hosted on the Securities Services e-Portal at <https://sshsb.net.my/> provided by SS E Solutions Sdn. Bhd. Kindly refer to the Administrative Guide for the AGM in order to register, participate and vote remotely via the RPV facilities.
- The venue of the 30th AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act, 2016 which requires the Chairman of Meeting to be present at the main venue. **No shareholders/proxy(ies) from the public shall be physically present at nor admitted to the Broadcast Venue.**
- In respect of deposited securities, only members whose names appear in the Record of Depositors on 20 September 2022 (General Meeting Record of Depositors) shall be eligible to attend and vote at this 30th AGM or appoint a proxy to attend and vote on his behalf. A proxy may but need not be a member of the Company.
- Where a member is an authorised nominee, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said securities account. A member other than an authorised nominee shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his shareholding to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation either under Common Seal or under the hand of an officer or attorney duly authorised.
- The Form of Proxy must be completed, signed and deposited with the Poll Administrator, SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than forty-eight (48) hours before the time set for the meeting or adjourned meeting. Alternatively, The Form of Proxy can be electronically submitted at <https://sshsb.net.my/> or by fax to +603 2094 9940 or by email to [eservices@sshsb.com.my](mailto:eservices@sshsb.com.my) before the Form of Proxy lodgement cut-off time as mentioned above. Please refer to the Administrative Guide for the procedures on electronic lodgement of Form of Proxy.

### PERSONAL DATA POLICY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate, speak (in the form of real-time submission of typed texts) and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof) and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.



Fold this flap for sealing

Then fold here



**SS E SOLUTIONS SDN. BHD.**

Level 7, Menara Milenium,  
Jalan Damanlela,  
Pusat Bandar Damansara,  
Damansara Heights,  
50490 Kuala Lumpur

1st fold here