

ENRA GROUP BERHAD
(Registration No. 199201005296/ 236800-T)
UNAUDITED FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 31 DECEMBER 2023

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 / 12 / 2023 RM ' 000	As at 31 / 03 / 2023 RM ' 000
ASSETS		
Non-current assets		
Property, plant and equipment	61,340	62,949
Right of use assets	8,700	8,870
Work in Progress	2,543	168
	<u>72,583</u>	<u>71,987</u>
Current assets		
Inventories	59,366	59,984
Trade and other receivables	7,019	6,906
Contract assets	1,211	1,140
Derivative assets	48	98
Current tax assets	40	212
Cash and bank balances and short term funds	27,513	12,794
	<u>95,197</u>	<u>81,134</u>
TOTAL ASSETS	<u>167,780</u>	<u>153,121</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	144,744	144,744
Redeemable convertible preference shares equity	2,886	2,886
Treasury Shares	(1,199)	(1,199)
Share Option Reserve	18	18
Non-distributable reserves	3,921	1,969
Reserves	(68,240)	(61,132)
	<u>82,130</u>	<u>87,286</u>
Non-controlling interests	(1,380)	(1,060)
Total equity	<u>80,750</u>	<u>86,226</u>
Non-current liabilities		
Trade and other payables	21,143	22,830
Borrowings	11,167	721
Lease liabilities	1,655	1,540
Redeemable convertible preference shares liability	6,792	6,434
	<u>40,757</u>	<u>31,525</u>
Current liabilities		
Trade and other payables	19,480	19,498
Contract Liability	170	1,192
Borrowings	26,498	13,251
Lease liabilities	24	96
Redeemable convertible preference shares liability	-	1,057
Current tax liabilities	101	276
	<u>46,273</u>	<u>35,370</u>
Total liabilities	87,030	66,895
TOTAL EQUITY AND LIABILITIES	<u>167,780</u>	<u>153,121</u>
Net assets per share (after deducting the treasury shares) attributable to equity holders of the Company (RM)	<u>0.61</u>	<u>0.65</u>

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 March 2023 and the accompanying explanatory notes to the interim financial statements.

ENRA GROUP BERHAD

(Registration No. 199201005296/ 236800-T)

UNAUDITED FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 31 DECEMBER 2023
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarters	
	31 / 12 / 2023	31 / 12 / 2022	31 / 12 / 2023	31 / 12 / 2022
	RM ' 000	RM ' 000	RM ' 000	RM ' 000
Revenue	7,154	10,829	29,721	20,656
Cost of sales	(8,585)	(8,560)	(24,537)	(25,256)
Gross profit/(loss)	(1,431)	2,269	5,184	(4,600)
Other operating income	196	598	446	1,435
Operating expenses	(2,701)	(3,273)	(8,882)	(23,348)
Loss from operations	(3,936)	(406)	(3,252)	(26,513)
Lease interest expense	(31)	(30)	(94)	(92)
Finance cost	(939)	(525)	(2,177)	(984)
Loss before taxation	(4,906)	(961)	(5,523)	(27,589)
Taxation	(83)	8	(318)	(27)
Loss for the financial period	(4,989)	(953)	(5,841)	(27,616)
Discontinued operations				
Profit for the financial period from discontinued operations, net of tax	-	-	12	-
Loss for the financial period	(4,989)	(953)	(5,829)	(27,616)
Other comprehensive income, net of tax				
Foreign currency translation differences for foreign operations	(752)	(2,493)	3,207	2,231
Total comprehensive loss for the financial period	(5,741)	(3,446)	(2,622)	(25,385)
Profit /(Loss) attributable to:-				
Equity holders of the Company	(4,174)	168	(7,108)	(18,331)
Non-controlling interests	(816)	(1,120)	1,279	(9,285)
	(4,990)	(953)	(5,829)	(27,616)
Total comprehensive loss attributable to:-				
Equity holders of the Company	(4,490)	(1,031)	(5,156)	(17,490)
Non-controlling interests	(1,250)	(2,416)	2,534	(7,895)
	(5,740)	(3,446)	(2,622)	(25,385)
Earnings per share (after deducting the treasury shares) attributable to equity holders of the Company (sen):				
(a) Basic				
(Loss)/ Profit from operations	(3.09)	0.14	(5.27)	(13.59)
(b) Fully diluted				
(Loss)/ Profit from operations	(2.24)	0.09	(3.82)	(9.86)

The above Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 March 2023 and the accompanying explanatory notes to the interim financial statements.

ENRA GROUP BERHAD
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UNAUDITED FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 31 DECEMBER 2023

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	<----- Attributable to equity holders of the Company ----->							Non-controlling Interests	Total Equity
	<----- Non-distributable ----->			----- Distributable ----->					
	Share Capital RM ' 000	Redeemable Convertible Preference Shares RM ' 000	Share options reserve RM ' 000	Exchange Translation Reserve RM ' 000	Treasury Shares RM ' 000	Accumulated Losses RM ' 000	Total RM ' 000	RM ' 000	RM ' 000
Financial year ended 31 March 2024									
As at 1 April 2023	144,744	2,886	18	1,969	(1,199)	(61,132)	87,286	(1,060)	86,226
Loss for the financial year	-	-	-	-	-	(7,108)	(7,108)	1,279	(5,829)
Other comprehensive income, net of tax	-	-	-	1,952	-	-	1,952	1,255	3,207
Total comprehensive (loss)/income	-	-	-	1,952	-	(7,108)	(5,156)	2,534	(2,622)
Disposal of subsidiary	-	-	-	-	-	-	-	(1,026)	(1,026)
Issue of shares to a non-controlling interest	-	-	-	-	-	-	-	1,058	1,058
Reclassification of capital contribution from non-controlling interest	-	-	-	-	-	-	-	(2,886)	(2,886)
Total transactions with owners	-	-	-	-	-	-	-	(2,854)	(2,854)
As at 31 Dec 2023	144,744	2,886	18	3,921	(1,199)	(68,240)	82,130	(1,380)	80,750
Financial year ended 31 March 2023									
As at 1 April 2022	144,744	2,886	-	532	(1,199)	(35,656)	111,307	2,087	113,394
Loss for the financial year	-	-	-	-	-	(18,331)	(18,331)	(9,285)	(27,616)
Other comprehensive (loss)/income, net of tax	-	-	-	841	-	-	841	1,390	2,231
Total comprehensive income/(loss)	-	-	-	841	-	(18,331)	(17,490)	(7,895)	(25,385)
Issue of shares by subsidiaries to a non-controlling interest	-	-	-	-	-	-	-	30	30
Issuance capital contribution reserve to a non-controlling interest	-	-	-	-	-	-	-	10,050	10,050
Repayment of capital contribution to non-controlling interest	-	-	-	-	-	-	-	(546)	(546)
Total transactions with owners	-	-	-	-	-	-	-	9,534	9,534
As at 31 Dec 2022	144,744	2,886	-	1,373	(1,199)	(53,987)	93,817	3,726	97,543

The above Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 March 2023 and the accompanying explanatory notes to the interim financial statements.

ENRA GROUP BERHAD
(Registration No. 199201005296/ 236800-T)
UNAUDITED FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 31 DECEMBER 2023

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Cumulative quarters ended	
	31 / 12 / 2023	31 / 12 / 2022
	RM ' 000	RM ' 000
Cash flows from operating activities		
Profit before taxation	(5,511)	(27,589)
Continuing operation	(5,523)	(27,589)
Discontinued operation	12	-
Adjustments for non-cash items:		
Provision for Net Realisable Value ("NRV") loss on inventories	-	3,439
Depreciation of property, plant and equipment	4,352	4,286
Depreciation of right of use assets	193	294
Fair value loss/(gain) on derivatives	52	(312)
Gain on disposal of subsidiaries	(120)	-
Unrealised loss on foreign exchange	276	333
- Unwinding of discount (RCPS)	358	396
- Unwinding of lease interest	94	92
- Borrowings	1,819	588
Interest income	(66)	(92)
Operating profit before changes in working capital	1,447	(18,565)
Changes in working capital	(6,574)	(442)
Net tax paid	(355)	(142)
Net cash (used in)/ from operating activities	(5,482)	(19,149)
Cash flows from investing activities		
Interest received	66	92
(Placement)/Uplift of pledged deposits	(700)	1,955
Proceeds from disposal of property, plant and equipment	3	-
Net proceeds from disposal of subsidiaries	1,200	-
Acquisition of property, plant and equipment	(122)	-
Net cash from/(used in) investing activities	447	2,047
Cash flows from financing activities		
Interest paid	(1,819)	(588)
Capital contribution from NCI	(2,886)	(546)
Net drawdown of borrowing	23,693	9,249
Repayment of lease liabilities	(74)	(124)
Net cash used in financing activities	18,914	7,991
Net decrease in cash and cash equivalents	13,879	(9,111)
Cash and cash equivalents at beginning of financial period	10,513	16,051
Effect of foreign currency exchange rate changes	140	177
Cash and cash equivalents at end of financial period	24,532	7,117
Cash and cash equivalents comprise:-		
Cash and bank balances	27,513	9,397
Less: Deposits pledged to licensed banks	(2,981)	(2,280)
	24,532	7,117

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 March 2023 and the accompanying explanatory notes to the interim financial statements.

Compliance with Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting and Bursa Malaysia Securities Berhad Listing Requirements

1 Basis of preparation

The interim financial report are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting*, International Accounting Standard (IAS) 34 *Interim Financial Reporting* and Paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB"). The interim financial report should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2023.

2 Changes in Significant Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2023, except for the adoption of the following standards, amendments to published standards and interpretations to existing standards which are effective for the financial period commencing on or after 1 January 2023:

Title:	Effective date for the financial period commencing on or after:
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 Initial Application of MFRS 17 and MFRS 9 - Comparative information	1 January 2023
Amendments to MFRS 101 Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108 Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112 Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

Adoption of the above Standards did not have any material effect on the financial performance or position of the Company.

Title:	Effective date for the financial period commencing on or after:
Amendments to MFRS 101 Presentation of Financial Statement - Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 101 Presentation of Financial Statement - Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 16 Leases - Lease liability in a sale and leaseback	1 January 2024
Amendments to MFRS 107 and MFRS 7 Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred
Amendments to MFRS 112 <i>International Tax Reform - Pillar Two Model Rules</i>	See paragraph 98M of MFRS 112

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 in future financial years.

3 Qualification of auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 March 2023 was not subject to any audit qualification.

4 Seasonal and cyclical factors

The business of the Group was not affected by any significant seasonal and cyclical factors during the current financial period under review.

5 Unusual items due to their nature, size and incidence

There were no items during the financial period under review affecting the assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence other than the material items disclosed in Note 18.

6 Changes in estimates

There were no changes in estimates which have a material effect on the results of the current financial period under review other than material items disclosed in Note 17.

7 Debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities of the Company during the current financial period under review.

a) Free Warrants

On 23 December 2020, up to 45,402,647 free warrants has been issued on the basis of 1 Warrant for every 3 existing shares. The securities will be traded and quoted "[ex-bonus issue]" as from 22 December 2020 and the last date of lodgement was on 23 December 2020.

On 6 January 2021, the Board has determined that each Warrant entitles the holder of the warrant to subscribed for 1 new ENRA Share at the exercise price of RM1.00 at any time during the Exercise Period ("At any time during the period commencing on, and inclusive of, the Issue Date and ending at 5.00 p.m. on the Market Day immediately preceding the 5th anniversary of the Issue Date"), subject to any adjustment that may be made from time to time in accordance with the provisions of the deed poll constituting the Warrants dated 8 December 2020. Any Warrant not exercised during the Exercise Period will thereafter lapse and cease to be valid for any purpose.

On 7 January 2021, the issuance of the Free Warrants has been completed following the listing of and quotation for 44,971,973 Warrants on the Main Market of Bursa Securities. The calculation of diluted earning per share arising from these free warrants is shown in Note 25.

b) Allotment and issuance of new shares under Sections 75 and 76 of Companies Act 2016

The Shareholders have given the Directors the renewed mandate to allot and issue new shares up to 10% of the total number of existing issued shares from 7 September 2023 to the conclusion of the next Annual General Meeting ("AGM").

c) Shares Buy Back/ Treasury Shares

The Shareholders have given the Directors the renewed mandate to purchase its own shares from 7 September 2023 to the conclusion of the next AGM subject to:

- i) The aggregate number of shares purchased does not exceed 10% of the total number of shares at the time of purchase.
- ii) The maximum fund for the purchase shall not exceed the Company's retained earnings at the time of purchase.

As of 31 December 2023, 1.289 million treasury shares at RM1.199 million is held by the Company.

d) Employees' Shares Scheme ("ESS")

At the EGM on 9 February 2018, the Shareholders approved the establishment of the ESS, comprised of the Employees' Option Scheme ("ESOS") and Employees' Share Grant Plan ("ESGP") of up to 15% of the total number of issued shares in the capital of the Company (excluding treasury shares) which came into effect on 12 February 2018 for a period of 5 years up to 12 February 2023. Subsequently, the Company extended the duration of the ESS for another 5 years to 12 February 2028.

On 1 June 2022, ENRA made an offer of 6,100,000 ESOS Option 2022/2024 ("1st Award") to the eligible Directors and employees of ENRA and its subsidiaries of which 3,500,000 Options were allocated to the Directors of ENRA. The offers were accepted by the respective Directors and employees on 28 June 2022.

On 2 January 2024, ENRA made an offer of 11,900,000 ESOS Option 2024/2027 ("2nd Award") to the eligible Directors and employees of ENRA and its subsidiaries of which 7,600,000 Options were allocated to the Directors of ENRA. The offers were accepted by the Directors and employees on 5 January 2024.

As of 31 December 2023, no ESOS Option under the 1st and 2nd Awards had been exercised, and no new ESOS or ESGP had been awarded to anyone under the ESS.

8 Dividends paid to equity holders of the Company

There was no dividend paid during the current quarter ended 31 December 2023.

9 Revenue

The disaggregation of Group's revenue by major products and services are as follows:

	Individual Quarters		Cumulative Quarters	
	31 / 12 / 2023	31 / 12 / 2022	31 / 12 / 2023	31 / 12 / 2022
	RM'000	RM'000	RM'000	RM'000
Products and services:				
Sale of properties	1,003	299	2,663	5,475
Sale of trading goods	-	1	-	22
Leasing	3,086	5,344	14,484	8,505
Services rendered	3,065	5,184	12,574	6,654
	<u>7,154</u>	<u>10,829</u>	<u>29,721</u>	<u>20,656</u>
Timing of revenue recognition:				
At a point in time	13	1,237	1,505	5,737
Over time	7,141	9,592	28,216	14,919
	<u>7,154</u>	<u>10,829</u>	<u>29,721</u>	<u>20,656</u>

10 Segmental information

	Property development	Energy Logistics	MRO services	Investment holdings and others	Total	Discontinued Operations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Financial period ended 31 December 2023							
Revenue							
- External	2,663	26,253	805	-	29,721	-	29,721
Results							
Operating (loss)/profit	(592)	2,818	(1,131)	(4,409)	(3,315)	(2)	(3,317)
Interest income					47	18	66
Lease interest expense					(94)	-	(94)
Finance cost					(2,177)	-	(2,177)
Tax expense					(314)	(4)	(318)
Profit for the financial year					<u>(5,853)</u>	<u>12</u>	<u>(5,841)</u>
Earning before interest, tax, depreciation and amortisation	(440)	7,118	(1,097)	(4,289)	1,293	-	1,293
Financial period ended 31 December 2022							
Revenue							
- External	5,475	14,083	1,076	-	20,634	22	20,656
Results							
Operating profit/(loss)	(3,919)	(17,180)	(522)	(5,014)	(26,635)	30	(26,605)
Interest income					70	22	92
Lease interest expense					(92)	-	(92)
Finance cost					(984)	-	(984)
Tax expense					(20)	(7)	(27)
Loss for the financial year					<u>(27,661)</u>	<u>45</u>	<u>(27,616)</u>
Earning before interest, tax, depreciation and amortisation	(3,783)	(12,826)	(511)	(4,930)	(22,050)	30	(22,020)

The Group's reportable segments are operating segments or aggregations of operation segments with 10% or more contribution in term of revenue or in term of total assets of all operating segments.

11 Changes in the composition of the Group

(a) Disposal of 30% shares in ENRA Energy Solutions Sdn Bhd ("EESSB") by ENRA Engineering & Construction Sdn Bhd ("EECSB").

EECSB, a wholly owned subsidiary of ENRA Group Berhad had on 12 April 2023, entered into a Shares Sale and Purchase Agreement with Tai Chong Marine Engineering Sdn Bhd ("TCM") to transfer its 30% shares in EESSB for a cash consideration of RM1,000.00.

Following the completion on 11 May 2023, EESSB has effectively become 70% subsidiary of the Company.

(b) Disposal of 51% shares in ENRA IOL Sdn Bhd ("EIOL").

ENRA Group Berhad ("ENRA") had on 8 August 2023 entered into Share Sale and Purchase Agreement with OZLUX Sdn Bhd ("OZLUX") to transfer its entire investment equivalent to 51% shares in ENRA IOL Sdn Bhd for a cash consideration of RM1,200,000.00. Prior to the disposal, ENRA IOL was jointly owned by ENRA and OZLUX at 51% and 49% shares respectively.

Following the completion on 16 August 2023, EIOL has effectively ceased to be the subsidiary of ENRA.

i) Profit attributable to the discontinued operation was as follows:

	Cumulative Quarters	
	31 / 12 / 2023	31 / 12 / 2022
	RM'000	RM'000
Results of discontinued operations		
Revenue	-	22
Other Income	18	22
Expenses	(2)	(16)
Results from operating activities	16	28
Taxation	(4)	(7)
Results from operating activities, net of tax	12	21
Gain on sale of discontinued operations	120	-
Profit for the financial year	132	21

ii) Details of the assets, liabilities and net cash inflow arising from the disposal of ENRA IOL Sdn Bhd during the financial period ended 31 December 2023 are as follows;

	31/12/2023
	RM'000
Assets/ (Liabilities) disposed:	
Contract cost (WIP)	77
Trade receivables	361
Tax recoverable	51
Cash and cash equivalents	1,668
Trade and other creditors, deposits	(51)
Minority interests	(1,026)
Gain on disposal of a subsidiary	120
	<u>1,200</u>
Purchased consideration	1,200
Cash and cash equivalents disposed	(1,668)
Net Inflow/(outflow) on disposal of the subsidiary	<u>(468)</u>

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

	31/12/2023
	RM'000
Total disposal proceeds	1,200
Carrying amount of EIOL's net assets at disposal date	(2,106)
Minority interests of EIOL's at disposal date	1,026
Gain on disposal of the subsidiaries	<u>120</u>

12 Significant related party transactions

The significant related party transactions during the current financial year to date is as follows:

	Cumulative Quarters	
	31 / 12 / 2023	31 / 12 / 2022
	RM'000	RM'000
i) Purchase of goods and services from non-controlling interest of subsidiaries	-	21
ii) Provision of operation and maintenance (O&M) services from a non-controlling interest of subsidiaries	2,883	2,675
iii) Project management fee from non-controlling interest of subsidiaries	83	720
iv) Sales of goods and services to non-controlling interest of subsidiaries	-	(63)
v) Commission fee paid to company owned by a director of subsidiary	-	2
v) Interest charges on mezzanine financing from directors and employee of the company	573	439

13 Changes in material contingent liabilities or assets

There were no material contingent liabilities or contingent assets since the last financial year ended 31 March 2023 other than the corporate guarantees given by the Company in favour of its subsidiaries as follows:

- (i) Corporate guarantees for licenced financial institutions
- (ii) Corporate guarantee to subsidiaries' customer
- (iii) Corporate guarantee to subsidiaries' vendors

14 Review of performance

For the financial period under review, the Group's business activities were split into 4 segments:

- (i) The Group's property development division comprises projects in Malaysia and abroad.
- (ii) The Group's energy logistics services division entails the provision of logistics/ chartering, engineering, operation and maintenance services relating to the energy sector.
- (iii) The Group's MRO services division entails the provision of maintenance, repair and overhaul, engineering and fabrication services to various sectors.
- (iv) The Group's investment holdings division comprises of holding of investment in subsidiaries, associate and joint venture as well as management services and provision of financial assistance for companies within the Group.
- (v) The figures stated below has been restated "in line with the requirements of MFRS 5.

Quarter	Revenue				Consolidated
	Property development	Energy Logistics	MRO services	Investment holdings and others	
	RM'000	RM'000	RM'000	RM'000	RM'000
FY23/24:					
Quarter 1	1,015	9,893	-	-	10,908
Quarter 2	645	10,221	793	-	11,659
Quarter 3	1,003	6,139	12	-	7,154
Full financial year	2,663	26,253	805	-	29,721

14 Review of performance (cont...)

Quarter	Revenue				Consolidated
	Property development	Energy Logistics	MRO services	Investment holdings and others	
	RM'000	RM'000	RM'000	RM'000	
FY22/23:					
Quarter 1	5,035	4,574	-	-	9,609
Quarter 2	140	78	-	-	218
Quarter 3	300	9,453	1,076	-	10,829
Quarter 4	137	9,558	128	-	9,823
Full financial year	5,612	23,663	1,204	-	30,479

Quarter	(Loss)/Profit before taxation				Consolidated
	Property development	Energy Logistics	MRO services	Investment holdings and others	
	RM'000	RM'000	RM'000	RM'000	
FY23/24:					
Quarter 1	(368)	2,635	-508	(1,790)	(31)
Quarter 2	(292)	1,942	(203)	(2,033)	(586)
Quarter 3	(407)	(2,362)	(397)	(1,740)	(4,906)
Full financial year	(1,067)	2,214	(1,108)	(5,563)	(5,523)

FY22/23:					
Quarter 1	(45)	(2,869)	(197)	(1,702)	(4,813)
Quarter 2	(4,181)	(15,712)	(172)	(1,749)	(21,814)
Quarter 3	(176)	1,381	(155)	(2,012)	(962)
Quarter 4	(11,038)	1,968	(542)	(2,275)	(11,887)
Full financial year	(15,440)	(15,232)	(1,066)	(7,738)	(39,476)
Exceptional items	13,481	10,148	-	1,123	24,752
Full financial year excluding exceptional items	(1,959)	(5,084)	(1,066)	(6,615)	(14,724)

Q3 FY23/24 vs Q3 FY22/23

For the third quarter ended 31 December 2023 ("Q3 FY23/24"), the Group's revenue decreased by 34% compared to the previous year's corresponding quarter of RM10.83 million. In terms of profitability for the quarter, the Group had a higher loss before taxation ("LBT") of RM4.91 million as opposed to LBT of RM0.96 million during the same period last year.

The Energy Logistics division has been the primary driver of the group's revenue for the quarter. The division however recorded a lower revenue and PBT by RM3.31 million and RM3.74 million respectively for the quarter. The revenue and PBT drop was due to the ending of the Floating Storage and Offloading ("FSO") operation with GPM in November 2023.

The Property Development division reported a higher revenue by RM0.70 million and slightly higher LBT by RM0.23million for the quarter against the same period last year. The division had completed the delivery of vacant possession ("VP") to buyers for its maiden project in Teluk Panglima Garang and is now focusing on the progress of its second project in Dengkil, Sepang.

The Maintenance, Repair, and Overhaul ("MRO") Services division contributed minimal revenue in the third quarter of the year as the division is still building on the foundations of its new positioning in the market. The division recorded a higher LBT by RM0.24 million compared to the same quarter of the previous year.

FY23/24 vs FY22/23

Cumulatively, the Group's revenue for the 9 months of FY23/24 amounted to RM29.72 million, representing an increase of 44%. This in turn contributed to a significant decrease in LBT by 80% as compared to the same period last year. The Energy Logistics division continues to be the main contributor to the Group's operation.

15 Material change in profit before taxation compared to the immediate preceding quarter

Q3 FY23/24 vs Q2 FY23/24

The revenue for Q3 FY23/24 amounted to RM7.15 million, decreasing by 39% compared to Q2 FY23/24. This decrease was attributed to the lower revenue recorded by our Energy Logistics division due to the ending of its contract with GPM in November 2023. Comparing the profitability for the quarters, the LBT of the quarter was higher due to lower revenue as well as additional operational costs normally incurred in decommissioning the vessel from the field at the end of each contract.

16 Future prospects

The prospects of the Group's business segments are as follows:

(a) Property Development division

The Company is focusing on the progress of its second project in Dengkil, Sepang after completing the delivery of vacant possession ("VP") to home owners for its maiden project, Taman Iram Perdana in October 2023. The overall property market continues to remain challenging despite good demand as most buyers face difficulty in getting financing from the banks. As such the group will continue to take a cautious approach in the timing of any future launches.

(b) Energy Logistics division

The Floating Storage and Offloading ("FSO") operation with GPM ended in November 2023. With the ending of the said operation, the company is preparing its vessel for a mandatory dry docking and special survey before commencing its new contract with 7Seas Maritime Transportation - FZCO as previously announced which is expected to contribute positively to the Groups earnings.

(c) Maintenance, Repair and Overhaul ("MRO") Services division

In the first three quarters of the current financial year, the Group had focused its attention on business development and marketing efforts to position itself as a comprehensive specialist in MRO services for diesel power generation and propulsion equipment across multiple brands and models to a wider client base across other industries apart from its traditional core oil and gas market. The group believes that the time and effort it invested in laying this foundation over the last several months and the encouraging response from the market will yield positive results in the near future.

17 Profit forecast

The Group has not issued any profit forecast in a public document.

18 (Loss)/Profit for the financial year

	Cumulative Quarters	
	31 / 12 / 2023	31 / 12 / 2022
	RM'000	RM'000
(Loss)/Profit before taxation is arrived at after (crediting) / charging		
Interest income	(66)	(92)
Interest expense	2,177	984
Lease interest expense	94	92
Other income including investment income	(380)	(1,343)
Depreciation of property, plant and equipment	4,352	4,286
Depreciation of right of use assets	193	294
Fair value loss on derivatives	52	(312)
Net gain on foreign exchange	167	333

Save as disclosed above and in the Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income, the other items as required under Appendix 9B, Part A (16) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

19 Income tax expense

Continuing Operations:

	Individual Quarter		Cumulative Quarter	
	31 / 12 / 2023	31 / 12 / 2022	31 / 12 / 2023	31 / 12 / 2022
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax :-				
- current taxation	32	(8)	261	21
- under provision for prior year	51	-	57	-
	83	(8)	318	21

Discontinuing Operations:

	Individual Quarter		Cumulative Quarter	
	31 / 12 / 2023	31 / 12 / 2022	31 / 12 / 2023	31 / 12 / 2022
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax				
- current taxation	-	-	4	6
	-	-	4	6

20 Goodwill

The carrying amount of goodwill arised from the acquisition of subsidiaries:

	As at 31 / 12 / 2023	As at 31 / 12 / 2022
	RM'000	RM'000
Discontinued operation	-	400
51% of ENRA IOL Sdn. Bhd. ("EIOL")	-	400

21 Borrowings and debts securities

Total borrowings of the Group were analysed as follows :

	Short Term Malaysian Ringgit RM'000	Long Term Malaysian Ringgit RM'000	Total Group RM'000
As at 31 December 2023:			
Secured			
Term loans	26,498	11,167	37,665
As at 31 December 2022:			
Secured			
Term loans	13,251	-	13,251

22 Derivatives

The Group entered into forward currency selling and buying contracts to manage its foreign currency exchange risk.

Details of the Group's derivatives financial instruments outstanding as at 31 December 2023 are as follows:

	Currency	Notional value RM'000	Net Fair value gain/(loss) RM'000
As at 31 December 2023:			
Forward currency selling contracts less than 1 year	USD	-	(60)
Forward currency buying contracts more than 1 year	SGD	2,372	8
Net fair value loss			(52)
As at 31 December 2022:			
Forward currency buying contracts less than 1 year	SGD	2,374	24
Forward currency selling contracts less than 1 year	USD	6,564	288
Net fair value loss			312

23 Material impairment of assets

There is no material impairment loss of assets recognised in the statement of profit and loss and other comprehensive income in the current quarter and comparative quarter except as disclosed in Note 18.

24 Material litigation

The Group is not engaged in any material litigation as at the date of issuance of this financial statements.

25 Earnings per ordinary share

Basic earnings per share are calculated by dividing profit for the year attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period, excluding any treasury shares held by the Company.

Diluted earnings per share takes into account the maximum number of ordinary shares assuming all free warrants and the first tranche of ESOS option under the employee share scheme ("ESS") are converted into new ordinary shares.

	Quarter Ended		Cumulative Quarter Ended	
	31 / 12 / 2023	31 / 12 / 2022	31 / 12 / 2023	31 / 12 / 2022
Profit/(Loss) from continuing operation attributable to equity holders of the Company (RM'000)	(4,174)	169	(7,108)	(18,331)
	<u>(4,174)</u>	<u>169</u>	<u>(7,096)</u>	<u>(18,331)</u>
Weighted average number of ordinary shares in issue ('000)				
Total number of ordinary shares	136,208	136,208	136,208	136,208
Treasury shares	(1,289)	(1,289)	(1,289)	(1,289)
	<u>134,919</u>	<u>134,919</u>	<u>134,919</u>	<u>134,919</u>
Potential maximum shares from the warrants and ESOS option conversion to new shares	51,072	51,072	51,072	51,072
Potential maximum number of ordinary shares	<u>185,991</u>	<u>185,991</u>	<u>185,991</u>	<u>185,991</u>
(a) Basic (Loss)/ Profit from operations	(3.09)	0.14	(5.27)	(13.59)
(b) Fully diluted (Loss)/ Profit from operations	(2.24)	0.09	(3.82)	(9.86)

By Order of the Board
ENRA Group Berhad