



(506836-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER  
ENDED 31 MARCH 2016**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 31 MARCH 2016**

	<b>Quarter ended</b>	
	<b>31.03.2016</b>	<b>31.03.2015</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue	45,124	68,636
Cost of sales	(12,490)	(32,851)
Gross profit	<u>32,634</u>	<u>35,785</u>
Other income	1,871	1,219
Marketing and distribution expenses	(423)	(488)
Administrative expenses	(5,970)	(6,319)
Other expenses	(235)	(975)
Finance costs	(26,965)	(27,748)
Profit before tax	912	1,474
Income tax expense	(556)	(1,265)
Profit net of tax	<u>356</u>	<u>209</u>
<b>Other comprehensive income, net of tax</b>		
Foreign currency translation	826	236
<b>Total comprehensive income for the year</b>	<u>1,182</u>	<u>445</u>
<b>(Loss)/Profit attributable to:</b>		
Owners of the parent	424	(607)
Non-controlling interest	(68)	816
	<u>356</u>	<u>209</u>
<b>Total comprehensive income attributable to:</b>		
Owners of the parent	1,250	(371)
Non-controlling interest	(68)	816
	<u>1,182</u>	<u>445</u>
<b>Earnings per share attributable to owner of the parent (sen)</b>		
Basic	<u>0.15</u>	<u>(0.22)</u>
Diluted	<u>N/A</u>	<u>(0.11)</u>

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

**ENCORP BERHAD (506836-X)**  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2016**

	As at 31.03.2016	As at 31.12.2015
	RM'000	RM'000
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	7,378	7,536
Intangible assets	25,184	25,234
Land held for property development	93,028	93,028
Completed investment property	324,860	324,860
Trade receivables	810,116	922,472
Deferred tax assets	7,953	4,339
	<u>1,268,519</u>	<u>1,377,469</u>
<b>Current assets</b>		
Property development costs	70,371	73,347
Inventories	68,933	69,737
Tax recoverable	10,058	8,981
Trade and other receivables	209,784	90,194
Other current assets	102,990	113,345
Investment security	146,102	109,961
Cash and bank balances	8,042	17,690
	<u>616,280</u>	<u>483,255</u>
Asset of disposal group classified as held for sale	28,224	28,224
	<u>644,504</u>	<u>511,479</u>
<b>Total assets</b>	<u>1,913,023</u>	<u>1,888,948</u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2016 (contd.)**

	As at 31.03.2016	As at 31.12.2015
	RM'000	RM'000
<b>Equity and liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	122,798	145,597
Provision	10,243	10,243
Other current liabilities	27,065	3,692
Loans and borrowings	271,389	136,022
Income tax payables	-	10
	<u>431,495</u>	<u>295,564</u>
Liabilities directly associated with disposal group classified as held for sale	1,251	1,251
	<u>432,746</u>	<u>296,815</u>
<b>Non-current liabilities</b>		
Trade payables	4,819	7,730
Loans and borrowings	985,986	1,094,855
Deferred tax liabilities	2,789	4,050
	<u>993,594</u>	<u>1,106,635</u>
<b>Total liabilities</b>	<u>1,426,340</u>	<u>1,403,450</u>
<b>Equity attributable to owners of parent</b>		
Share capital	278,648	278,645
Treasury shares	(327)	(327)
Share premium	104,302	104,302
Other reserves	1,768	4,582
Retained profit	11,218	7,154
	<u>395,609</u>	<u>394,356</u>
Non-controlling interest	91,074	91,142
<b>Total equity</b>	<u>486,683</u>	<u>485,498</u>
<b>Total equity and liabilities</b>	<u>1,913,023</u>	<u>1,888,948</u>
Net assets per share attributable to owner of the parents (RM)	<u>1.42</u>	<u>1.42</u>

The above consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 31 MARCH 2016**

RM'000	← Non-distributable			→ Distributable						
	Share capital	Share premium	Treasury shares	Warrants reserves	Foreign currency translation reserve	Other reserves, total	Retained Profit	Total	Non-controlling interest	Total equity
<b>At 1 January 2016</b>	278,645	104,302	(327)	3,640	942	4,582	7,154	394,356	91,142	485,498
Total comprehensive income for the period	-	-	-	-	826	826	424	1,250	(68)	1,182
<b>Transaction with owners:</b>										
Transfer to retained profit upon expiry of warrants.	-	-	-	(3,640)	-	(3,640)	3,640	-	-	-
Conversion of RCSLS	3	-	-	-	-	-	-	3	-	3
<b>At 31 March 2016</b>	<b>278,648</b>	<b>104,302</b>	<b>(327)</b>	<b>-</b>	<b>1,768</b>	<b>1,768</b>	<b>11,218</b>	<b>395,609</b>	<b>91,074</b>	<b>486,683</b>
<b>At 1 January 2015</b>	278,645	103,044	(4,559)	3,640	(2,027)	1,613	5,774	384,517	87,006	471,523
Total comprehensive income for the period (restated)	-	-	-	-	236	236	(607)	(371)	816	445
<b>Transaction with owners:</b>										
Disposal of Treasury Shares	-	1,258	4,232	-	-	-	-	5,490	-	5,490
<b>At 31 March 2015</b>	<b>278,645</b>	<b>104,302</b>	<b>(327)</b>	<b>3,640</b>	<b>(1,791)</b>	<b>1,849</b>	<b>5,167</b>	<b>389,636</b>	<b>87,822</b>	<b>477,458</b>

The above consolidated statement of changes in equity should be read in conjunction with the audited financial statement for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2016**

	Quarter ended	
	31.03.2016	31.03.2015
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Profit before taxation	912	1,474
Adjustments:		
Depreciation	185	898
Amortisation of intangible assets	50	78
(Gain)/Loss on disposal of property, plant and equipment	-	71
Interest expenses	26,965	27,748
Gain on disposal of investment security	(46)	(46)
Distribution income from money market investment security	(1,155)	(1,034)
Interest income	(176)	(139)
Operating profit before working capital changes	26,735	29,050
Changes in working capital:		
Net changes in current assets	3,121	12,389
Net changes in current liabilities	(16,870)	(9,863)
Net changes in property development cost	2,976	3,815
Cash generated from operations	15,962	35,391
Income tax paid	(6,518)	(4,372)
Interest paid	(435)	(2,111)
Net cash generated from operating activities	9,009	28,908

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2016 (contd.)**

	<b>Quarter ended</b>	
	<b>31.03.2016</b>	<b>31.03.2015</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from investing activities</b>		
Interest received	176	139
Purchase of property, plant and equipment	(27)	-
Proceeds from disposal of property, plant and equipment	-	873
Distribution income received	1,155	1,034
(Increase) / Decrease in investment security	(36,141)	(22,449)
Net cash generated from investing activities	(34,837)	(20,403)
<b>Cash flows from financing activities</b>		
Payment of RCSLS Coupon	(11,191)	(159)
Repayment of loans & borrowing	-	(10,662)
Withdrawal / (Placement) of deposits pledged	-	(493)
Net proceeds from sale of treasury shares	-	5,491
Draw down from loans and borrowings	26,498	-
Net (payment) / proceeds from finance lease payable	(13)	(772)
Net cash used in from financing activities	15,294	(6,595)
Net decrease in cash and cash equivalents	(10,534)	1,910
Effect of exchange rate changes		236
Cash and cash equivalents at beginning of period	12,106	35,481
Cash and cash equivalents at end of period	1,572	37,627
Cash and cash equivalents comprise the followings:		
Cash deposits placed with:		
- Licensed banks	2,178	10,011
- Licensed corporation	87	70
Cash and bank balances	5,777	41,059
	8,042	51,140
Less: Bank overdrafts	(4,205)	(4,632)
Bank balances and deposits pledged / designated	(2,265)	(8,881)
<b>Cash and cash equivalents at end of period</b>	<b>1,572</b>	<b>37,627</b>

The above consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 31 MARCH 2016**

**PART A: EXPLANATORY NOTES PURSUANT TO FRS 134**

**A1. Basis of preparation**

The condensed consolidated interim financial statements (“Condensed Report”), other than for financial instruments have been prepared under the historical cost convention. Financial instruments are carried at fair value in accordance to Financial Reporting Standard (“FRS”) 9 *Financial Instrument* and FRS 139 *Financial Instruments: Recognition and Measurement*.

This Condensed Report has also been prepared in accordance with the requirements of FRS 134 *Interim Financial Reporting* and paragraph 9.22 of the main market Listing Requirements of Bursa Malaysia Securities Berhad.

This Condensed Report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015. The explanatory notes attached to the Condensed Report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2015.

**A2. Significant accounting policies**

The significant accounting policies adopted in the preparation of the Condensed Report are consistent with those used in preparing the audited financial statements for the year ended 31 December 2015, except for the following new Financial Reporting Standards (FRSs), Amendments to FRSs and IC Interpretations which are applicable for the Group's financial period beginning 1 January 2016.

**a) Standards Amendments and Annual Improvement to standards effective for the financial periods beginning on or after 1 January 2016**

Annual Improvements to FRSs 2012-2014 Cycle

Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation

Amendments to FRS 116 and FRS 141: Agriculture: Bearer Plants

Amendments to FRS 10 and FRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Amendments to FRS 11: Accounting for Acquisitions of Interests in Joint Operations

Amendments to FRS 127: Equity Method in Separate Financial Statements

Amendments to FRS 101: Disclosure Initiative

Amendments to FRS 10, FRS 12 and FRS 128: Investment Entities: Applying the Consolidation Exception

FRS 14: Regulatory Deferral Accounts



**PART A: EXPLANATORY NOTES PURSUANT TO FRS 134 (contd.)**

**A2. Significant accounting policies (cont'd)**

**b) FRS, IC Interpretations and Amendments to IC Interpretation but not yet effective**

**Effective for financial periods beginning on or after 1 January 2018**

FRS 9: Financial Instruments  
FRS 15 Revenue from Contracts with Customers

**c) New Malaysian Financial Reporting Framework**

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called "Transitioning Entities").

Transitioning Entities are allowed to defer adoption of the new MFRS Framework for an additional two years. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2017.

The Group and the Company fall within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2017. In presenting its first MFRS financial statements, the Group and the Company will be required to adjust the comparative financial statements prepared under the FRS to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings. The Group has opted to defer the adoption of the MFRS Framework to the financial period beginning on 1 January 2017.

**A3. Auditors' Report on Preceding Annual Financial Statements**

The Group's latest audited financial statements for the financial year ended 31 December 2015 were not subject to any qualification.

**A4. Comments about seasonal or cyclical factors**

The Group's performance is not affected by any seasonal or cyclical factors.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 31 MARCH 2016 (contd.)**

**PART A: EXPLANATORY NOTES PURSUANT TO FRS 134 (contd.)**

**A5. Unusual items due to their nature, size or incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter ended 31 March 2016.

**A6. Debt and equity securities**

There were no issuances, cancellation, repurchases, resale and repayments of debt and equity securities for the quarter ended 31 March 2016 except for the following:

**a) Treasury shares**

As at 31 March 2016, the total number of treasury shares held was 386,000.

**b) Sukuk Murabahah**

The next Sukuk Murabahah principal and profit payment amounting to RM70.7 million is scheduled in May 2016

The Sukuk Murabahah was issued by a subsidiary company, ESSB to refinance the entire amount outstanding under ABBA Notes and to fund the Trustee' Reimbursement Account. The Sukuk Murabahah is secured by the assignment of the contract Concession Payments and the Project Escrow Account, and a negative pledge on all assets of ESSB. ESSB is a special purpose vehicle and these Sukuk Murabahah raised do not have any financial recourse to the Group.

**c) Redeemable Convertible Secured Loan Stocks (RCSLS)**

The RCSLS has matured on 17 March 2016 ("Maturity Date"). 10,566,780 RCSLS which were not converted by the maturity date have been redeemed by Encorp at 105.95% of the nominal value of such RCSLS.

**d) Warrant 2011/2016**

The warrants have expired on 17 March 2016 ("Expiry Date"). Any warrants which were not exercised by the Expiry Date have been lapsed and become null and void and ceased to be valid for any purpose.

**A7. Dividend paid**

No dividend was paid during the quarter ended 31 March 2016.

**ENCORP BERHAD** (506836-X)  
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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 31 MARCH 2016 (contd.)**

**PART A: EXPLANATORY NOTES PURSUANT TO FRS 134 (contd.)**

**A8. Segmental information**

The Group's segment revenue and results are presented by industry segments for the year ended 31 March 2016 as follows: -

	Investment holding RM'000	Concessionaire RM'000	Property development RM'000	Investment property RM'000	Facilities management RM'000	Others* RM'000	Adjustments and Eliminations RM'000	Consolidated RM'000
<b>Revenue</b>								
External customers	-	23,844	16,269	1,908	2,040	1,063		45,124
Inter-segment	3,921	-	-	390	-	-	(4,311)	-
<b>Total Revenue</b>	<b>3,921</b>	<b>23,844</b>	<b>16,269</b>	<b>2,298</b>	<b>2,040</b>	<b>1,063</b>	<b>(4,311)</b>	<b>45,124</b>
<b>Results:</b>								
Segment results	(883)	24,856	3,843	117	239	(261)	25	27,936
Interest income	4	6	165	1	-	-		176
Interest expense	(794)	(24,386)	(504)	(1,261)	-	(20)	-	(26,965)
Depreciation and amortisation	(147)	-	(20)	(30)	-	(13)	(25)	(235)
<b>Profit / (Loss) before tax</b>	<b>(1,820)</b>	<b>476</b>	<b>3,484</b>	<b>(1,173)</b>	<b>239</b>	<b>(294)</b>	<b>-</b>	<b>912</b>

\* This segment represents Trading, Food and Beverage and Facilities Management divisions.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 31 MARCH 2016 (contd.)**

**PART A: EXPLANATORY NOTES PURSUANT TO FRS 134 (contd.)**

**A9. Material events subsequent to the balance sheet date**

On 27 April 2016, the Company has entered into Sale and Purchase Agreements (“SPA”) with Koperasi Permodalan Felda Malaysia Berhad to dispose a block of office suites within the commercial development known as Garden Office @ Encorp Strand for a total cash consideration of RM27 million plus 6% Goods and Services Tax.

Other than the above, there was no material events subsequent to the financial period ended 31 March 2016 up to the date of this report.

**A10. Changes in the composition of the Group**

On 8 January 2016, Encorp Must Sdn Bhd (“EMSB”), a wholly-owned subsidiary of the Company, acquired 2 ordinary shares of RM1.00 each fully paid-up in the capital of Encorp Bukit Katil Sdn Bhd (“EBKSB”) at a total purchase consideration of RM2.00 only from Dato’ Haji Zakaria bin Nordin and Encik Wan Azman bin Wan Abbas (the “Acquisition”).

Following the Acquisition, EBKSB became an indirect wholly-owned subsidiary of Encorp. The Acquisition is intended for Encorp’s future expansion in its core business of property development.

EBKSB was incorporated as a private company limited by shares on 14 December 2015. The authorised share capital of EBKSB is RM400,000 divided into 400,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of EBKSB is RM2.00 divided into 2 ordinary shares of RM1.00 each. EBKSB has not commenced business since its incorporation.

**A11. Changes in contingent liabilities**

	<b>As at 31.03.2016 RM'000</b>	<b>As at 31.03.2015 RM'000</b>
<b>Contingent liabilities:</b>		
Corporate guarantee given to banks for credit facilities granted to subsidiaries	57,183	96,489
Corporate guarantee given to financial institutions for credit facilities granted to subsidiaries	3,607	5,814
Corporate guarantee given to suppliers in favour of credit facility granted to subsidiaries	453	146
	<u>61,243</u>	<u>102,449</u>

**A12. Capital commitments**

There was no capital commitments for the purchase of property, plant and equipment not provided for in the interim financial report as at the end of the financial period.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 31 MARCH 2016 (contd.)**

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA**

**B1. Performance review**

**Performance of the current quarter against the preceding year corresponding quarter  
(1Q16 vs. 1Q15).**

The Group's revenue for the quarter ended 31 March 2016 ("1Q15") decreased by RM23.5 million or 34% to RM45.1 million as compared to RM68.6 million in corresponding quarter ended 31 March 2015 ("1Q15"). The decrease in revenue was mainly due to the completion and hand over of a property development project in 1Q15.

The Group recorded a profit after tax of RM0.4 million in 1Q16 as compared to profit after tax of RM0.2 million in 1Q15. The improvement in profit is mainly due to the cost rationalisation exercise implemented by the management.

**Property Development**

The revenue of Property Development Division was RM16.3 million in 1Q16 as compared to revenue of RM29.7 million recorded in 1Q15. The profit before tax of the division for 1Q16 was RM3.5 million as compared to profit before tax of RM5.9 million in 1Q15. The decrease in both revenue and profit was mainly due to the completion and hand over of Encorp Cahaya Alam Lotus in 1Q15. The decrease is also due to lower sales achieved by the Property Division resulted from the softer property market.

**Investment Property**

The division's revenue was RM1.9 million in 1Q16, which decreased slightly by RM0.3 million as compared to RM2.2 million in 1Q15. This is due to the occupancy rate for the current quarter decreased slightly compared to preceding year corresponding quarter due to certain tenancy agreement were not renewed upon expiry as a result from the Mall re-branding exercise.

**Concessionaire**

Pursuant to the Privatisation Agreement, the concession income is payable by the Government from the completion and handover of each cluster of the teachers' quarters up to the end of the concession period. Accordingly, the Group is compensated in the form of interest as a result of the extended repayment period. The interest income from concession is recognised as revenue using the effective interest method.

The concession division recorded revenue and profit before tax of RM23.8 million and RM0.5 million respectively in 1Q16 as compared to RM24.8 million and RM0.3 million respectively in 1Q15.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 31 MARCH 2016 (contd.)**

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA (contd.)**

**B2. Comparison with Immediate Preceding Quarter**

The Group's revenue decreased by RM20.3 million or 31% to RM45.1 million in current quarter as compared to RM65.4 million registered in the preceding quarter. The decrease in revenue was mainly due higher work progress achieved by property development projects in previous quarter as compared to current quarter under review.

Correspondingly the profit before tax of the Group for current quarter was RM0.9 million as compared to profit before tax of RM16.4 million in preceding quarter due to the lower work progress achieved. In addition, the decrease in profit before tax was also due to the increase in fair value of investment properties of RM8.7 million recognised during preceding quarter.

**B3. Commentary on prospects**

The property sector is expected to continue remain challenging in light of the stringent lending rules imposed by banks and oversupply in certain property sub-sector market. Additionally certain sub sectors e.g. finance and oil & gas sectors that are traditionally the take-out sources for office spaces in the Klang Valley are now holding back given the cautious sentiments of the economy.

With these challenges ahead, the Group will continue its focus on measures to increase rational efficiencies and to pursue innovative concepts to enhance its development projects. A detail review of the operations of the Group will be undertaken in this endeavour, including potential acquisition of new land and properties, entering into joint ventures for property development and new businesses and rationalisation of existing business.

**B4. Variance from forecast profit and profit guarantee**

Not applicable.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 31 MARCH 2016 (contd.)**

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA (contd.)**

**B5. Income tax expense**

	<b>Quarter &amp; Year ended</b>	
	<b>31.03.2016</b>	<b>31.03.2015</b>
	<b>RM'000</b>	<b>RM'000</b>
Income tax	665	1,507
Deferred tax	(109)	(242)
	<u>556</u>	<u>1,265</u>

Income tax is calculated at the Malaysian statutory tax rate of 25% of the estimated assessable profit for the year.

The effective tax rate for the Group for the financial period is higher than the statutory tax rate because certain expenses are not allowable as deduction for tax purposes, and losses of certain subsidiaries which have not been used to set off against taxable profits made by other subsidiaries.

**B6. Disposal of unquoted investments and properties**

There were no disposal of unquoted investments and/or properties for the financial period ended 31 March 2016.

**B7. Purchase or disposal of quoted securities**

There were no purchase or disposal of quoted securities for the financial period ended 31 March 2016.

**B8. Status of corporate proposals**

There were no pending corporate proposals during the financial period ended 31 March 2016.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 31 MARCH 2016 (contd.)**

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA (contd.)**

**B9. Borrowings and debt securities**

	As at 31.03.2016	
	Current RM'000	Non-current RM'000
<b>Secured</b>		
Sukuk Murabahah	206,996	804,665
Term loan	14,309	181,250
Obligations under finance leases and hire purchases	29	71
Revolving credit	45,850	-
Bank overdraft	4,205	-
	<u>271,389</u>	<u>985,986</u>

**B10. Changes in material litigation**

The Group has no outstanding material litigation for the financial period ended 31 March 2016.

**B11. Dividends**

The Board of Directors did not recommend any dividend for the quarter ended 31 March 2016.



**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 31 MARCH 2016 (contd.)**

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA (contd.)**

**B12. Profit for the period**

	<b>Quarter &amp; Year ended 31.03.2016 RM'000</b>
The profit/loss is arrived at after charging / (crediting):	
a) Interest income	(176)
b) Other income	(1,695)
c) Interest expense	26,965
d) Depreciation and amortisation	235
e) Provision for and write off of receivables	-
f) Provision for and write off of inventories	-
g) Loss/(gain) on disposal of quoted or unquoted investments or properties	-
h) Loss/(gain) on property, plant & equipment	-
i) Loss/(gain) on intangible assets	-
j) Impairment of goodwill	-
k) Foreign exchange gain or loss	-
l) Gain/loss on derivatives; and	-
m) exceptional items	-

**B13. Retained Earnings**

	<b>31.03.2016 RM'000</b>	<b>31.12.2015 RM'000</b>
<b>Group</b>		
Realised	213,503	224,310
Unrealised	123,006	105,750
	<u>336,509</u>	<u>330,060</u>
Consolidation adjustments	(325,291)	(322,906)
Total retained earnings	<u>11,218</u>	<u>7,154</u>

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(Incorporated in Malaysia)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 31 MARCH 2016 (contd.)**

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA (contd.)**

**B14. Earnings per share ("EPS")**

a) Basic EPS

	<b>31.03.2016</b>	<b>31.03.2015</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit/(Loss) attributable to owners of the parent	424	(607)
Weighted average number of ordinary shares in issue	278,645	278,645
<b>Basic EPS (sen)</b>	<b>0.15</b>	<b>(0.22)</b>

b) Diluted EPS

Upon the maturity of RCSLS and the expiry of Warrants, the Company has no other dilutive potential ordinary shares. Accordingly, the diluted EPS for the current financial period is not presented.

**B15. Authorisation for issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 11 May 2016.

By Order of the Board  
**ENCORP BERHAD (506836-X)**

**Lee Lay Hong**  
Company Secretary

11 May 2016