

ENRA GROUP BERHAD
(Company No. 236800-T)

UNAUDITED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 MARCH 2018

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(Unaudited) As at 31 / 3 / 2018 RM ' 000	(Audited) As at 31 / 03 / 2017 RM ' 000
ASSETS		
Non-current assets		
Property, plant and equipment	4,531	3,716
Investment in an associate	-	-
Investment in a joint venture	-	-
Deferred tax assets	117	1,929
Goodwill	8,505	8,505
	<u>13,153</u>	<u>14,150</u>
Current assets		
Inventories	73,594	77,231
Trade and other receivables	69,541	81,499
Derivative assets	111	73
Current tax assets	469	1,286
Cash and cash equivalents	46,189	64,065
Assets held for sale	85,156	85,156
	<u>275,060</u>	<u>309,310</u>
TOTAL ASSETS	<u>288,213</u>	<u>323,460</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	144,744	144,744
Redeemable convertible preference shares equity	409	409
Reserves	6,858	7,592
	<u>152,011</u>	<u>152,745</u>
Non-controlling interests	<u>13,725</u>	<u>18,260</u>
Total equity	<u>165,736</u>	<u>171,005</u>
Non-current liabilities		
Deferred tax liabilities	243	101
Trade and other payables	104	1,313
Borrowings	3,398	17,627
Redeemable convertible preference shares liability	703	648
	<u>4,448</u>	<u>19,689</u>
Current liabilities		
Trade and other payables	44,514	82,327
Derivative liabilities	-	-
Borrowings	72,464	45,575
Current tax liabilities	1,044	4,857
Liabilities held for sale	7	7
	<u>118,029</u>	<u>132,766</u>
Total liabilities	<u>122,477</u>	<u>152,455</u>
TOTAL EQUITY AND LIABILITIES	<u>288,213</u>	<u>323,460</u>
Net assets per share (after deducting the treasury shares) attributable to equity holders of the Company (RM)	<u>1.12</u>	<u>1.13</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 2017 and the accompanying explanatory notes to the interim financial statements.

ENRA GROUP BERHAD
(Company No. 236800-T)

UNAUDITED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 MARCH 2018

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarters	
	31 / 3 / 2018	31 / 3 / 2017	31 / 3 / 2018	31 / 3 / 2017
	RM ' 000	RM ' 000	RM ' 000	RM ' 000
Continuing operations				
Revenue	13,587	17,111	75,286	179,338
Cost of sales	(7,665)	(10,976)	(53,919)	(124,365)
Gross profit	5,922	6,135	21,367	54,973
Other operating income	298	477	6,435	622
Operating expenses	(8,287)	(7,183)	(27,941)	(26,589)
(Loss)/Profit from operations	(2,067)	(571)	(139)	29,006
Finance cost	(88)	(135)	(642)	(470)
Share of results of an associate	-	-	-	(15)
Share of results of a joint venture	-	-	-	-
(Loss)/Profit before taxation	(2,155)	(706)	(781)	28,521
Taxation	(813)	(344)	(2,144)	(8,989)
(Loss)/Profit for the financial period from continuing operations	(2,968)	(1,050)	(2,925)	19,532
Discontinued operations				
Profit/(Loss) for the financial period from discontinued operations, net of tax	854	(86,087)	3,219	(84,011)
(Loss)/Profit for the financial period	(2,114)	(87,137)	294	(64,479)
Other comprehensive income/(loss), net of tax				
Foreign currency translation differences for foreign operations	11	472	22	12
Total comprehensive (loss)/income for the financial period	(2,103)	(86,665)	316	(64,467)
(Loss)/Profit attributable to:-				
Equity holders of the Company	(2,163)	(87,803)	1,021	(72,081)
Non-controlling interests	49	666	(727)	7,602
	(2,114)	(87,137)	294	(64,479)
Total comprehensive (loss)/income attributable to:-				
Equity holders of the Company	(2,154)	(87,441)	1,041	(72,073)
Non-controlling interests	51	776	(725)	7,606
	(2,103)	(86,665)	316	(64,467)
(Loss)/Earnings per share (after deducting the treasury shares) attributable to equity holders of the Company (sen):				
(a) Basic				
(Loss)/Profit from continuing operations	(2.24)	(1.27)	(1.63)	8.84
Profit/(Loss) from discontinued operations	0.63	(63.81)	2.39	(62.27)
	(1.61)	(65.08)	0.76	(53.43)
(b) Fully diluted				
	n/a	n/a	n/a	n/a

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 2017 and the accompanying explanatory notes to the interim financial statements.

ENRA GROUP BERHAD
(Company No. 236800-T)
UNAUDITED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 MARCH 2018

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	-----> Attributable to equity holders of the Company <----->									
	-----> Non-distributable <----->					Distributable				
	Share Capital RM ' 000	Redeemable Convertible Preference Shares RM ' 000	Share Premium RM ' 000	Capital Reserves RM ' 000	Foreign Currency Translation Reserve RM ' 000	Treasury Shares RM ' 000	Retained Earnings RM ' 000	Total RM ' 000	Non- controlling Interests RM ' 000	Total Equity RM ' 000
Financial period ended 31 December 2017										
As at 1 April 2017	144,744	409	-	275	72	(1,199)	8,444	152,745	18,260	171,005
Profit/(loss) for the financial year	-	-	-	-	-	-	1,021	1,021	(727)	294
Other comprehensive income, net of tax	-	-	-	-	20	-	-	20	2	22
Total comprehensive income/(loss)	-	-	-	-	20	-	1,021	1,041	(725)	316
Changes in equity interest in a subsidiary	-	-	-	-	-	-	(1,775)	(1,775)	1,775	-
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	(5,585)	(5,585)
Total transactions with owners	-	-	-	-	-	-	(1,775)	(1,775)	(3,810)	(5,585)
As at 31 March 2018	144,744	409	-	275	92	(1,199)	7,690	152,011	13,725	165,736
Financial period ended 31 December 2016										
As at 1 April 2016	136,208	-	8,536	275	64	(1,199)	91,319	235,203	11,026	246,229
Profit for the financial year	-	-	-	-	-	-	(72,081)	(72,081)	7,602	(64,479)
Other comprehensive loss, net of tax	-	-	-	-	8	-	-	8	4	12
Total comprehensive (loss)/income	-	-	-	-	8	-	(72,081)	(72,073)	7,606	(64,467)
Additional non-controlling interest arising from business combinations	-	-	-	-	-	-	-	-	(491)	(491)
Issuance of redeemable convertible preference shares	-	409	-	-	-	-	-	409	-	409
Issuance of shares by subsidiaries	-	-	-	-	-	-	-	-	119	119
Dividends to equity holders of the Company	-	-	-	-	-	-	(10,794)	(10,794)	-	(10,794)
Total transactions with owners	-	409	-	-	-	-	(10,794)	(10,385)	(372)	(10,757)
Effects of the new Companies Act, 2016	8,536	-	(8,536)	-	-	-	-	-	-	-
As at 31 March 2017	144,744	409	-	275	72	(1,199)	8,444	152,745	18,260	171,005

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 2017 and the accompanying explanatory notes to the interim financial statements.

ENRA GROUP BERHAD
(Company No. 236800-T)

UNAUDITED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 MARCH 2018

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Cumulative quarters ended	
	31 / 3 / 2018	31 / 3 / 2017
	RM ' 000	RM ' 000
Cash flows from operating activities		
Profit before taxation		
- continuing operations	(781)	28,521
- discontinued operations	3,290	(84,160)
Adjustments for non-cash items:		
Derecognition of contingent consideration for business acquisition	(4,092)	-
Bad debts written off	-	20
Impairment losses on disposal group	-	7,846
Depreciation of property, plant and equipment	1,311	1,108
Fair value adjustments on investment properties	-	79,076
Fair value gain on derivatives	(38)	(73)
Loss/(gain) on disposal of subsidiaries	1	(286)
Gain on disposal of property, plant and equipment	(132)	-
Unrealised loss on foreign exchange	705	410
Redeemable convertible preference shares liability	55	-
Share of results of an associate	-	15
Share of results of a joint venture	-	-
Interest expense	3,114	3,197
Interest income	(1,639)	(924)
Operating profit before changes in working capital	1,794	34,750
Changes in working capital	(20,303)	10,892
Tax paid	(3,260)	(8,659)
Net cash generated from operating activities	(21,769)	36,983
Cash flows from investing activities		
Interest received	1,639	924
(Placement)/uplift of pledged deposits	(2,068)	1,182
Proceeds from disposal of property, plant and equipment	169	-
Acquisition of :		
- property, plant and equipment	(2,163)	(1,522)
- subsidiaries, net of cash	-	(2,817)
Issuance of shares by subsidiary to non-controlling interests	-	119
Net cash used in investing activities	(2,423)	(2,114)
Cash flows from financing activities		
Interest paid	(3,114)	(3,197)
Dividend paid to:		
- equity holders of the Company	-	(10,794)
- non-controlling interests	(5,585)	-
Issuance of redeemable convertible preference shares	-	1,057
Net drawdown/(repayment) of borrowings	15,226	(7,670)
Net cash used in financing activities	6,527	(20,604)
Net (decrease)/increase in cash and cash equivalents	(17,665)	14,265
Cash and cash equivalents at beginning of financial year	39,679	25,644
Effect of foreign currency exchange rate changes	(44)	(230)
Cash and cash equivalents at end of financial year	21,970	39,679
Cash and cash equivalents comprise:-		
Cash and bank balances	46,189	64,065
Less: Bank overdrafts	(18,421)	(20,656)
Fixed deposits pledged to licensed banks	(5,798)	(3,730)
	21,970	39,679

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 2017 and the accompanying explanatory notes to the interim financial statements.

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

1 Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of FRS134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Main Market 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 2017.

2 Changes in Significant Accounting Policies

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the financial year ended 31 March 2017, 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 1 April 2017:

Title:	Effective Date
Amendments to FRS 107 <i>Disclosure Initiative</i>	1 January 2017
Amendments to FRS 112 <i>Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017
Amendments to FRS 12 <i>Annual Improvements to FRS Standards 2014 - 2016 Cycle</i>	1 January 2017

The adoption of the above amendments to published standards does not give rise to any material effects to the Group's financial statements.

On 19 November 2011, the MASB issued the new accounting framework, the Malaysian Financial Reporting Standards ("MFRS") framework, which is effective for financial periods beginning on or after 1 January 2012 with the exception of entities that are within the scope of MFRS 141 *Agriculture* and IC interpretation 15 *Agreements for Construction of Real Estate*, including its parents, significant investors and venturers ('hereafter called Transitioning Entities'). Transitioning Entities are allowed to defer adoption of the new MFRS Framework until they are mandatory for them for annual periods beginning on or after 1 January 2018.

The Group falls within the scope of Transitioning Entities and has opted to defer the adoption of MFRS framework for the financial periods as allowed. Accordingly, the Group shall prepare its first set of MFRS financial statements for the financial year ending 31 March 2019.

In adopting the new MFRS Framework, the Group would be required to apply the specific transition requirements in MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards. In addition to the adoption of the new MFRS Framework, the following new MFRSs and amendments to the MFRSs are effective for annual periods beginning on or after 1 January 2018:

Title:	Effective Date
Amendments to MFRS 1 <i>Annual Improvements to MFRS Standards 2014 - 2016 Cycle</i>	1 January 2018
MFRS 15 <i>Revenue from Contracts with Customers</i>	1 January 2018
Clarification to MFRS 15	1 January 2018
MFRS 9 <i>Financial Instruments (IFRS as issued by IASB in July 2014)</i>	1 January 2018
Amendments to MFRS 2 <i>Classification and Measurement of Share-based Payment Transactions</i>	1 January 2018
Amendments to MFRS 128 <i>Annual Improvements to MFRS Standards 2014 - 2016 Cycle</i>	1 January 2018
IC Interpretation 22 <i>Foreign Currency Transactions and Advance Consideration</i>	1 January 2018
Amendments to MFRS 140 <i>Transfers of Investment Property</i>	1 January 2018
Amendments to MFRS 4 <i>Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts</i>	See MFRS 4
MFRS 16 <i>Leases</i>	Paragraphs 46 and 48
IC Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>	1 January 2019
Amendments to MFRS 128 <i>Long-term Interests in Associates and Joint Ventures</i>	1 January 2019
Amendments to MFRS 9 <i>Prepayment Features with Negative Compensation</i>	1 January 2019
MFRS 17 <i>Insurance Contracts</i>	1 January 2021
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 does not expect the adoption of the above Standards to have a significant impact on the financial statements, except for MFRS 15, MFRS 9 and MFRS 16.

3 Qualification of auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 March 2017 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.

7 Debt and equity securities

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

8 Dividends paid to equity holders of the Company

There were no dividends declared yet in respect of the current financial year.

9 Segmental reporting

Financial year ended 31 March 2018

	Property development RM'000	Energy services RM'000	Investment holdings and others RM'000	Consolidated RM'000
Result from continuing operations				
Revenue				
- External	16,836	58,450	-	75,286
Total revenue	<u>16,836</u>	<u>58,450</u>	<u>-</u>	<u>75,286</u>
Results				
Operating profit/(loss)	514	9,989	(12,231)	(1,728)
Interest income				1,589
Finance cost				(642)
Tax expense				(2,144)
Loss for the financial year from continuing operations				<u>(2,925)</u>
Results from discontinued operations				
Profit for the financial year from discontinued operations, net of tax				3,219
Profit for the financial year				<u>294</u>

Financial year ended 31 March 2017

	Property development RM'000	Energy services RM'000	Investment holdings and others RM'000	Consolidated RM'000
Result from continuing operations				
Revenue				
- External	120,178	59,160	-	179,338
Total revenue	<u>120,178</u>	<u>59,160</u>	<u>-</u>	<u>179,338</u>
Results				
Operating profit/(loss)	32,565	6,128	(10,575)	28,118
Interest income				873
Finance cost				(470)
Tax expense				(8,989)
Profit for the financial year from continuing operations				<u>19,532</u>
Results from discontinued operations				
Loss for the financial year from discontinued operations, net of tax				(84,011)
Loss for the financial year				<u>(64,479)</u>

The results from discontinued operations above relates to investment properties business in respect of Holiday Plaza and Shamelin Business Centre that has been classified as non-current assets held for sale.

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.

10 Changes in the composition of the Group

- (a) On 6 October 2017, ENRA SPM Labuan Limited was incorporated with an issued and paid-up share capital of USD1 comprising 1 share held by ENRA SPM Sdn. Bhd. ("ESPM"), an indirect subsidiary of the Company, to undertake leasing business in, through and from the Federal Territory of Labuan. The paid up share capital was increased to USD10,000 representing 10,000 ordinary shares on 22 March 2018 with cash injection from ESPM.
- (b) On 30 January 2018, Barnes Avenue Limited ("BAL"), an indirect wholly owned subsidiary of the Company, had been struck off from the register of Companies House in the United Kingdom. BAL was incorporated in the United Kingdom with an issued and paid-up share capital of £1 on 15 October 2015 and had remained dormant from its incorporation until the date it was struck off.
- (c) On 2 March 2018, ENRA Power Systems Sdn. Bhd. was incorporated with an issued and paid-up share capital of RM100,000 comprising 100,000 ordinary shares held by ENRA Energy Sdn. Bhd., a wholly-owned direct subsidiary of the Company, to carry out the business of marketing, selling and distribution of power generation-related equipment and machineries as well as provision of after-sales services which include maintenance, repair and overhauling.
- (d) On 13 March 2018, the Company has transferred 2 ordinary shares representing the entire issued and paid-up share capital of Prominent Archway Sdn. Bhd. ("PASB") [*f.k.a. ENRA Management Services Sdn. Bhd.*] to ENRA Land Sdn. Bhd. ("ELSB"), a wholly-owned subsidiary of the Company, for a cash consideration of RM2.00. As a result, PASB has become a wholly-owned subsidiary of ELSB and an indirect wholly-owned subsidiary of the Company.
- (e) On 14 May 2018, the Company had entered into a Share Sale Agreement ("SSA") to dispose its entire shareholding of 5,600,000 ordinary shares representing 70% equity interest in Landmark Zone Sdn. Bhd. ("LZSB") to Mr. Law Wai Cheong, a Director of LZSB, for a cash consideration of RM5.6 million ("Disposal"). LZSB ceased to be a subsidiary of the Company following the completion of the Disposal on 15 May 2018.

11 Significant events during the year

- (a) On 15 May 2017, the Company had entered into 6 agreements to dispose of the Group's investment properties and investment assets, namely:
 - (i) A conditional sale and purchase agreement between the Company and Atar Irama Sdn Bhd ("Atar Irama") for the proposed disposal of 40 retail units and 16 office units located in Holiday Plaza ("HP"), in Johor Bahru for a cash consideration of RM51,855,000 ("Proposed Disposal of Retail and Office Units at HP")("SPA 1");
 - (ii) A conditional sale and purchase agreement between the Company and Solid Hope Sdn Bhd ("Solid Hope") for the proposed disposal of a basement car park located in Holiday Plaza, in Johor Bahru for a cash consideration of RM28,000,000 ("Proposed Disposal of HP Car Park")("SPA 2");
 - (iii) A conditional sale and purchase agreement between the Company and Simfoni Cindai Sdn Bhd ("Simfoni Cindai") for the proposed disposal of 6 office units located at Shamelin Business Centre ("SBC"), in Kuala Lumpur for a cash consideration of RM5,160,000 ("Proposed Disposal of Shamelin Office Units")("SPA 3"); and
 - (iv) Three conditional share sale agreements between the Company and Atar Irama for the respective proposed disposal of the entire equity interests in the following wholly owned subsidiaries of the Company ("Proposed Disposal of Subsidiaries"):
 - (a) Nautical Gold Sdn Bhd ("NGSB") for a cash consideration of RM38,509 ("Proposed Disposal of NGSB")("SSA 1")
 - (b) Evergreen Sprint Sdn Bhd ("ESSB") for a cash consideration of RM45,570 ("Proposed Disposal of ESSB")("SSA 2")
 - (c) Essential Vista Sdn Bhd ("EVSB") for a cash consideration of RM49,842 ("Proposed Disposal of EVSB") ("SSA 3")

(The Proposed Disposal of Retail and Office Units at HP, Proposed Disposal of HP Car Park, Proposed Disposal of Shamelin Office Units and Proposed Disposal of Subsidiaries are collectively referred to as "Proposed Disposal").

The breakdown of the Total Disposal Consideration from the 6 agreements are set out below:

Agreements	Proposed Disposal	Subtotal RM	Total RM
SPA 1	Proposed Disposal of Retail and Office Units of HP	51,855,000	
SPA 2	Proposed Disposal of HP Car Park	28,000,000	
SPA 3	Proposed Disposal of SBC	5,160,000	85,015,000
SSA 1	Proposed Disposal of NGSB	38,509	
SSA 2	Proposed Disposal of ESSB	45,570	
SSA 3	Proposed Disposal of EVSB	49,842	133,921
			<u>85,148,921</u>

The Board is of the opinion that the historical net rental income and rental yields of the HP Properties including 3 retail units held by the subsidiaries and SBC are low and the Proposed Disposal provides an avenue for the Group to realise substantial cash proceeds which is intended to be utilised in the following order:

- (i) Repayment of bank borrowings associated with the HP properties and SBC of RM29.90 million
- (ii) Defrayment of expenses relating to the Proposed Disposal including professional fees, payments to authorities and other incidental expenses of about RM1.50 million
- (iii) Investment in new businesses, projects and acquisitions of around RM32.12 million
- (iv) RM21.63 million fund for working capital including for rental, payroll costs, finance costs and other administrative cost

The Proposed Disposal becomes unconditional on 9 February 2018 after all conditions precedents have been met.

- (b) On 5 June 2017, ENRA Engineering & Construction Sdn. Bhd. ("EEC") [*f.k.a. ENRA Pipeline Services Sdn. Bhd.*], a wholly-owned subsidiary of the Company and Emrail Sdn. Bhd. had entered into a Shareholders Agreement to jointly establish a company to collaborate on providing total engineering solutions and services, civil works, rolling stock, project and asset management and maintenance services for rail and track transportation projects in Malaysia.

Subsequently, ENRA Emrail Sdn. Bhd. ("EEM") was established on 28 August 2017 with an issued and paid-up share capital of RM100 ordinary shares. EEC holds 51% of the shareholdings of EEM.

Based on the reserved matters of the Directors in the Shareholders Agreement, EEM falls under the definition of a jointly controlled entity under FRS 11: *Joint Arrangements*, because decisions regarding relevant activities need unanimous consent from all Directors of EEM.

- (c) On 10 July 2017, ESPM has accepted a Letter of Award from PC Myanmar (Hong Kong) Limited ("PCML"), a subsidiary of PETRONAS, for the lease of a single point mooring system and storage tanker ("Facilities") to PCML, through an open tender process. The Facilities will provide condensate storing and offloading services for the Yetagun offshore gas field operated by PCML in the Andaman Sea off the coast of Myanmar.

The award is for a 4-year primary period with a total value of approximately USD48 million. The leasing period commences on 26 April 2018 when the Facilities being commissioned and delivered to PCML.

12 Changes in material contingent liabilities or assets

There were no material contingent liabilities or contingent assets since the last financial year ended 31 March 2017 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

13 Capital commitments

The capital commitments as at the end of the financial period ended 31 March 2018 is as follows:

	As at	As at
	31 / 3 / 2018	31 / 3 / 2017
	RM'000	RM'000
Authorised and contracted for		
- Purchase of land	6,813	6,813
Approved but not contracted for		
- Purchase of property, plant and equipment	8,890	-

14 Review of performance

For the financial quarter under review, the Group's business activities from continuing operations were in property development, energy services and investment holdings. The Group's property development division comprises of the development of joint-venture property project in Taman Shamelin Perkasa and the redevelopment of a property in Central London. The Group's energy services division, entails the trading and supply of specialty chemicals, provision of logistics and chartering services, engineering and fabrication works. The Group's investment holdings comprise of holding of investment in shares of subsidiaries, associate and joint venture as well as management services and provision of financial assistance for companies within the Group.

Quarter	Revenue (continuing operations)			Profit/(loss) before taxation (continuing operations)			
	Property development	Energy services	Consolidated	Property development	Energy services	Investment holdings and others	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>FY2018:</u>							
Quarter 1	777	23,169	23,946	716	3,343	(2,465)	1,594
Quarter 2	10,619	10,329	20,948	447	4,626	(2,621)	2,452
Quarter 3	3,952	12,853	16,805	1,199	(1,010)	(2,861)	(2,672)
Quarter 4	1,488	12,099	13,587	(442)	2,522	(4,235)	(2,155)
	<u>16,836</u>	<u>58,450</u>	<u>75,286</u>	<u>1,920</u>	<u>9,481</u>	<u>(12,182)</u>	<u>(781)</u>
<u>FY2017:</u>							
Quarter 1	23,436	16,238	39,674	3,373	2,317	(2,150)	3,540
Quarter 2	30,142	15,132	45,274	4,600	2,849	(2,066)	5,383
Quarter 3	57,921	19,358	77,279	21,739	989	(2,424)	20,304
Quarter 4	8,679	8,432	17,111	3,586	(428)	(3,864)	(706)
	<u>120,178</u>	<u>59,160</u>	<u>179,338</u>	<u>33,298</u>	<u>5,727</u>	<u>(10,504)</u>	<u>28,521</u>

Q4 FY2018 v Q4 FY2017

The Group recorded a higher loss before taxation from continuing operations of RM2.16 million as compared to Q4 FY2017 of RM0.71 million mainly due to completion of Shamelin Star in December 2016 with no immediate revenue replacement for property development division.

Investment holdings division showed a higher loss by RM0.37 million mainly from higher number of headcounts necessary to support the long term growth of the Group.

On the other hand, energy services division recorded a profit before taxation of RM2.52 million as compared to loss of RM0.43 million in same quarter in previous year, owing to higher profit from seasonal catalyst demand by a customer.

FY2018 v FY2017

For the financial year ended 31 March 2018, the Group recorded a loss before taxation from continuing operations of RM0.78 million as compared to a profit before taxation of RM28.52 million in last financial year, mainly caused by lower sales of residential units of Shamelin Star.

15 Material change in profit/(loss) before taxation for continuing operations compared to the immediate preceding quarter

Q4 FY2018 v Q3 FY2018

For the financial quarter under review, the Group's continuing operations recorded a lower loss before taxation of RM2.16 million as compared to RM2.67 million in the immediate preceding quarter, mainly due to higher profit in chemical trading business. The increase was partly mitigated by the loss incurred by property division due to lower sales of Shamelin Star.

16 Future prospects

(a) General

For the next financial year, the Group will continue to focus on growing our key businesses under energy services, property development and construction. The Board and management are committed to achieve higher long term earnings growth that will create value for the shareholders.

(b) Property development

We are constantly assessing property development opportunities both in Malaysia and abroad, following the successful completion of Shamelin Star in Taman Shamelin, Cheras and near completion of Portland Chambers on 93 Great Titchfield Street, in London.

(c) Energy services

With the stability in the global oil price and the Refinery And Petrochemical Integrated Development's ("RAPID") production that comes online in this financial year, the energy industry will remain a key sector in the Malaysian economy. We have identified the customers spending focus and will try to match their needs. We are also looking at geographical and product expansion to be financed partly by our divestment in non-core assets.

17 Profit forecast

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

18 Profit for the financial period for continuing operations

	Current Quarter	Cumulative Quarter
	31 / 3 / 2018	31 / 3 / 2018
	RM'000	RM'000
Loss for the financial period for continuing operations is arrived at after (crediting) / charging		
Interest income	(397)	(1,589)
Interest expense	88	642
Other income including investment income	(42)	(125)
Derecognition of contingent consideration for business acquisition	-	(4,092)
Depreciation of property, plant and equipment	464	1,272
Rental of:		
- premises	173	575
- equipment	52	203
Unrealised loss on foreign exchange	1,314	705
Realised gain from foreign exchange	(1,014)	(1,393)
Fair value gain on derivatives	(232)	(38)

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 BMSB are not applicable.

19 Income tax expense

	Individual Quarter		Cumulative Quarter	
	31 / 3 / 2018	31 / 3 / 2017	31 / 3 / 2018	31 / 3 / 2017
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax :-				
- current taxation	526	2,100	1,932	10,871
- (over)/under provision for prior year	(1,665)	36	(1,740)	36
- deferred taxation	1,952	(1,792)	1,952	(1,918)
	<u>813</u>	<u>344</u>	<u>2,144</u>	<u>8,989</u>

The Group's effective tax rate is higher than the statutory tax rate as certain expenses are not allowable for tax deductions and some companies registered loss before taxation.

20 Status of corporate proposals announced but not completed as at 23 May 2018

The corporate proposals announced but not yet completed are as follows:

- (i) Acquisition of land in Wilayah Persekutuan Labuan of RM7.57 million (as announced on 8 March 2017)
All conditions precedent of the sale and purchase agreement ("SPA") have been fulfilled and the SPA has become unconditional. The Parcel 1 Acquisition is expected to be completed by the end of third quarter of the calendar year 2018.
- (ii) Proposed disposal of the Group's investment properties and investment assets (Note 11(a))
The Company and the purchasers have mutually agreed to vary the completion period of the SPA 3 to 51 days from the date of receipt by the purchaser's solicitors of the requisite original strata titles to the Shamelin Office Units and to extend the completion date for the SPA 1, SPA 2 and the SSAs to 8 July 2018.

21 Goodwill

The goodwill arised from the acquisition of 75% of EEFAB on 12 May 2016. Goodwill arising from this business combination has been allocated to engineering and fabrication unit within the energy services division for annual impairment testing.

The annual impairment review conducted at the year end is performed by comparing the carrying amount of the unit's carrying amount and its recoverable amount determined based on value in use calculations using cash flow projections covering five years period. There is no impairment loss to be recognised in the current financial year.

22 Borrowings and debts securities

Total borrowings of the Group were analysed as follows :

	Short Term		Long Term		Total		Total Group
	Foreign	Malaysian	Foreign	Malaysian	Foreign	Malaysian	
	currency	Ringgit	currency	Ringgit	currency	Ringgit	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 31 March 2018:							
Secured							
Bank overdrafts	-	18,421	-	-	-	18,421	18,421
Term loans	5,745	8,320	-	2,700	5,745	11,020	16,765
Hire-purchase and lease creditors	-	219	-	698	-	917	917
Trade facilities	12,893	26,866	-	-	12,893	26,866	39,759
	<u>18,638</u>	<u>53,826</u>	<u>-</u>	<u>3,398</u>	<u>18,638</u>	<u>57,224</u>	<u>75,862</u>
As at 31 March 2017:							
Secured							
Bank overdrafts	-	20,656	-	-	-	20,656	20,656
Term loans	11,120	8,344	5,690	11,019	16,810	19,363	36,173
Hire-purchase and lease creditors	-	233	-	918	-	1,151	1,151
Trade facilities	4,598	624	-	-	4,598	624	5,222
	<u>15,718</u>	<u>29,857</u>	<u>5,690</u>	<u>11,937</u>	<u>21,408</u>	<u>41,794</u>	<u>63,202</u>

The increase in bank borrowings is mainly on higher trade line utilisation by energy services division and EGB for working capital of subsidiaries.

23 Derivatives

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

Details of the Group's derivatives financial instruments outstanding as at 31 March 2018 are as follows:

	Nominal value	Fair value gain
	GBP'000	RM'000
Forward currency selling contracts less than 1 year		
As at 31 March 2018	<u>8,054</u>	<u>38</u>
As at 31 March 2017	<u>2,000</u>	<u>73</u>

24 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.

25 Material litigation

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

ENRA GROUP BERHAD
(Company No. 236800-T)

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 MARCH 2018

26 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 year, excluding any treasury shares held by the Company.

	Quarter Ended		Cumulative Quarter Ended	
	31 / 3 / 2018	31 / 3 / 2017	31 / 3 / 2018	31 / 3 / 2017
(Loss)/Profit attributable to equity holders of the Company (RM'000)				
- continuing operations	(3,017)	(1,716)	(2,198)	11,930
- discontinued operations	854	(86,087)	3,219	(84,011)
	<u>(2,163)</u>	<u>(87,803)</u>	<u>1,021</u>	<u>(72,081)</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>
Basic earnings per share (sen) :				
- continuing operations	(2.24)	(1.27)	(1.63)	8.84
- discontinued operations	0.63	(63.81)	2.39	(62.27)
	<u>(1.61)</u>	<u>(65.08)</u>	<u>0.76</u>	<u>(53.43)</u>

There are no diluted earnings per share as the Company does not have any potential dilutive ordinary shares outstanding as at 31 March 2018.

27 Status of utilisation of proceeds raised from corporate proposal

During the current financial year, there is no completed corporate proposals to report on the status of utilisation of proceeds.

28 Dividends

The Board of Directors has approved a first tax exempt dividend of 4.5 sen per share in respect of financial year 2018 amounting to RM6.07 million (FY2017: Nil) payable on a date to be determined and announced later.

By Order of the Board
ENRA Group Berhad