

ENRA GROUP BERHAD
(Registration No. 199201005296/ 236800-T)
UNAUDITED FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 SEPT 2024

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | As at 30 / 09 / 2024 RM ' 000 | As at 31 / 03 / 2024 RM ' 000 |
|--|-------------------------------------|-------------------------------------|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 76,879 | 72,267 |
| Right of use assets | 8,796 | 8,968 |
| Work in Progress | - | - |
| | <u>85,675</u> | <u>81,235</u> |
| Current assets | | |
| Inventories | 55,405 | 57,493 |
| Trade and other receivables | 7,223 | 5,011 |
| Contract assets | 3,249 | 2,850 |
| Derivative assets | - | - |
| Current tax assets | 53 | 44 |
| Cash and bank balances and short term funds | 6,496 | 5,295 |
| | <u>72,426</u> | <u>70,693</u> |
| TOTAL ASSETS | <u>158,101</u> | <u>151,928</u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the Company | | |
| Share capital | 153,514 | 144,744 |
| Redeemable convertible preference shares equity | 2,477 | 2,477 |
| Treasury Shares | (1,199) | (1,199) |
| Share Option Reserve | 375 | 375 |
| Non-distributable reserves | (3,635) | 5,114 |
| Reserves | <u>(92,109)</u> | <u>(76,009)</u> |
| | 59,423 | 75,502 |
| Non-controlling interests | <u>(5,917)</u> | <u>(3,199)</u> |
| Total equity | <u>53,506</u> | <u>72,303</u> |
| Non-current liabilities | | |
| Trade and other payables | 21,132 | 21,146 |
| Borrowings | 9,989 | 11,500 |
| Lease liabilities | 1,774 | 1,714 |
| Redeemable convertible preference shares liability | - | - |
| | <u>32,895</u> | <u>34,360</u> |
| Current liabilities | | |
| Trade and other payables | 28,336 | 15,168 |
| Derivative liabilities | - | 40 |
| Contract Liability | 2 | 185 |
| Borrowings | 35,909 | 22,696 |
| Lease liabilities | 93 | 184 |
| Redeemable convertible preference shares liability | 7,162 | 6,916 |
| Current tax liabilities | 198 | 76 |
| | <u>71,700</u> | <u>45,265</u> |
| Total liabilities | 104,595 | 79,625 |
| TOTAL EQUITY AND LIABILITIES | <u>158,101</u> | <u>151,928</u> |
| Net assets per share (after deducting the treasury shares) attributable to equity holders of the Company (RM) | <u>0.40</u> | <u>0.56</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 2024 and the accompanying explanatory notes to the interim financial statements.

ENRA GROUP BERHAD

(Registration No. 199201005296/ 236800-T)

UNAUDITED FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 SEPT 2024**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

| | Individual Quarter | | Cumulative Quarters | |
|--|--------------------|----------------|---------------------|---------------|
| | 30 / 09 / 2024 | 30 / 9 / 2023 | 30 / 09 / 2024 | 30 / 9 / 2023 |
| | RM ' 000 | RM ' 000 | RM ' 000 | RM ' 000 |
| Revenue | 7,225 | 11,659 | 7,989 | 22,567 |
| Cost of sales | (11,845) | (8,561) | (17,526) | (15,952) |
| Gross (loss)/profit | (4,620) | 3,098 | (9,537) | 6,615 |
| Other operating income | 93 | 181 | 490 | 250 |
| Operating expenses | (3,671) | (3,082) | (6,877) | (6,180) |
| Loss from operations | (8,198) | 197 | (15,924) | 685 |
| Lease interest expense | (32) | (31) | (66) | (63) |
| Finance cost | (1,363) | (751) | (2,690) | (1,238) |
| Loss before taxation | (9,593) | (585) | (18,680) | (617) |
| Taxation | (6) | (63) | (6) | (235) |
| Loss for the financial period | (9,599) | (648) | (18,686) | (851) |
| Discontinued operations | | | | |
| Profit for the financial period from discontinued operations, net of tax | - | 12 | - | 12 |
| Loss for the financial period | (9,599) | (636) | (18,686) | (839) |
| Other comprehensive income, net of tax | | | | |
| Foreign currency translation differences for foreign operations | (8,749) | (990) | (8,881) | 3,959 |
| Total comprehensive loss for the financial period | (18,348) | (1,626) | (27,567) | 3,120 |
| (Loss) / Profit attributable to:- | | | | |
| Equity holders of the Company | (7,793) | (987) | (16,100) | (2,934) |
| Non-controlling interests | (1,806) | 351 | (2,586) | 2,095 |
| | (9,599) | (636) | (18,686) | (839) |
| Total comprehensive (loss) / profit attributable to:- | | | | |
| Equity holders of the Company | (15,998) | (1,759) | (24,849) | (664) |
| Non-controlling interests | (2,350) | 133 | (2,718) | 3,784 |
| | (18,348) | (1,626) | (27,567) | 3,120 |
| Earnings per share (after deducting the treasury shares) attributable to equity holders of the Company (sen): | | | | |
| (a) Basic | | | | |
| Loss from operations | (5.25) | (0.73) | (10.85) | (2.17) |
| (b) Fully diluted | | | | |
| Loss from operations | (3.80) | (0.56) | (7.84) | (1.61) |

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 2024 and the accompanying explanatory notes to the interim financial statements.

ENRA GROUP BERHAD
(Registration No. 199201005296/ 236800-T)
UNAUDITED FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 SEPT 2024

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 options reserve RM ' 000 | Exchange Translation Reserve RM ' 000 | Treasury Shares RM ' 000 | Accumulated Losses RM ' 000 | Total RM ' 000 | Non- controlling Interests RM ' 000 | Total Equity RM ' 000 |
|--|------------------------------|---|---|--|--------------------------------|-----------------------------------|-------------------|--|--------------------------|
| Financial year ended 30 September 2024 | | | | | | | | | |
| As at 1 April 2024 | 144,744 | 2,477 | 375 | 5,114 | (1,199) | (76,009) | 75,502 | (3,199) | 72,303 |
| Loss for the financial year | - | - | - | - | - | (16,100) | (16,100) | (2,586) | (18,686) |
| Other comprehensive loss, net of tax | - | - | - | (8,749) | - | - | (8,749) | (132) | (8,881) |
| Total comprehensive loss | - | - | - | (8,749) | - | (16,100) | (24,849) | (2,718) | (27,567) |
| Issuance additional share capital | 8,770 | - | - | - | - | - | 8,770 | - | 8,770 |
| Total transactions with owners | 8,770 | - | - | - | - | - | 8,770 | - | 8,770 |
| As at 30 Sept 2024 | 153,514 | 2,477 | 375 | (3,635) | (1,199) | (92,109) | 59,423 | (5,917) | 53,506 |
| Financial year ended 30 September 2023 | | | | | | | | | |
| As at 1 April 2023 | 144,744 | 2,886 | 18.00 | 1,969 | (1,199) | (61,132) | 87,286 | (1,060) | 86,226 |
| (Loss)/profit for the financial year | - | - | - | - | - | (2,934) | (2,934) | 2,095 | (839) |
| Other comprehensive income, net of tax | - | - | - | 2,270 | - | - | 2,270 | 1,689 | 3,959 |
| Total comprehensive income/(loss) | - | - | - | 2,270 | - | (2,934) | (664) | 3,784 | 3,120 |
| Issue of shares by subsidiaries to a non-controlling interest | - | - | - | - | - | - | - | 1,058 | 1,058 |
| Reclassification of capital contribution from non-controlling interest | - | - | - | - | - | - | - | (2,886) | (2,886) |
| Disposal of subsidiary | - | - | - | - | - | - | - | (1,026) | (1,026) |
| Total transactions with owners | - | - | - | - | - | - | - | (2,854) | (2,854) |
| As at 30 Sept 2023 | 144,744 | 2,886 | 18 | 4,239 | (1,199) | (64,066) | 86,622 | (130) | 86,492 |

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 2024 and the accompanying explanatory notes to the interim financial statements.

ENRA GROUP BERHAD

(Registration No. 199201005296/ 236800-T)

UNAUDITED FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 SEPT 2024**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

| | Cumulative quarters ended | |
|--|----------------------------------|----------------------|
| | 30 / 09 / 2024 | 30 / 9 / 2023 |
| | RM ' 000 | RM ' 000 |
| Cash flows from operating activities | | |
| Profit before taxation | (18,680) | (617) |
| Continuing operation | (18,680) | (629) |
| Discontinued operation | - | 12 |
| Adjustments for non-cash items: | | |
| Provision for Net Realisable Value ("NRV") loss on inventories | - | (120) |
| Depreciation of property, plant and equipment | 3,470 | 2,879 |
| Depreciation of right of use assets | 172 | 129 |
| Fair value loss/(gain) on derivatives | (40) | 83 |
| Unrealised loss on foreign exchange | (145) | 100 |
| Interest expense: | | |
| - Unwinding of discount (RCPS) | 246 | 236 |
| - Unwinding of lease interest | 66 | 63 |
| - Borrowings | 2,444 | 1,002 |
| Interest income | (41) | (37) |
| Operating profit before changes in working capital | (12,508) | 3,718 |
| Changes in working capital | 12,870 | (5,821) |
| Net tax paid | (3) | (277) |
| Net cash (used in)/ from operating activities | 359 | (2,380) |
| Cash flows from investing activities | | |
| Interest received | 41 | 37 |
| (Placement)/Uplift of pledged deposits | (146) | - |
| Proceeds from disposal of property, plant and equipment | - | 3 |
| Net proceeds from disposal of subsidiaries | - | 1,200 |
| Acquisition of property, plant and equipment | (18,898) | (122) |
| Net cash from/(used in) investing activities | (19,003) | 1,118 |
| Cash flows from financing activities | | |
| Interest paid | (2,444) | (1,002) |
| Issuance of new shares | 8,770 | |
| Net drawdown of borrowing | 13,570 | - |
| Repayment of lease liabilities | (94) | (49) |
| Net cash used in financing activities | 19,802 | (1,051) |
| Net decrease in cash and cash equivalents | 1,158 | (2,314) |
| Cash and cash equivalents at beginning of financial period | 2,314 | 10,513 |
| Effect of foreign currency exchange rate changes | (103) | 208 |
| Cash and cash equivalents at end of financial period | 3,369 | 8,407 |
| Cash and cash equivalents comprise:- | | |
| Cash and bank balances | 6,496 | 10,689 |
| Less: Deposits pledged to licensed banks | (3,127) | (2,281) |
| | 3,369 | 8,408 |

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 2024 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 2024.

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 2024, 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 2024:

| Title: | Effective date for the financial period commencing on or after: |
|--|---|
| Amendments to MFRS 16 Lease Liability in a Sale and Leaseback | 1 January 2024 |
| Amendments to MFRS 101 Classification of Liabilities as Current or Non-current | 1 January 2024 |
| Amendments to MFRS 101 Non-current Liabilities with Covenants | 1 January 2024 |
| Amendments to MFRS 107 and MFRS 7 Supplier Finance Arrangements | 1 January 2024 |

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 121 <i>Lack of Exchangeability</i> | 1 January 2025 |
| MFRS 18 <i>Presentation and Disclosure in Financial Statements</i> | 1 January 2027 |
| Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> | Deferred |

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable 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 2024 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 24.

b) Private placement of the Company

On 7 June 2024, the Company has proposed to undertake the proposed private placement of up to 10% of the total number of issued shares of the Company (excluding treasury shares) ('Proposed Private Placement').

Bursa Securities had, via its letter dated 18 June 2024, approved the listing of and quotation for up to 19,179,000 new shares to be issued pursuant to the Proposed Private Placement on the Main Market of Bursa Securities, subject to the conditions set out in the letter by Bursa Securities.

On 27 June 2024, the Company announced that the issue price for the Proposed Private Placement has been fixed at RM0.65 per Placement Share. The Issue Price represents a discount of approximately RM0.0053 or 0.81% to the 5-day VWAP of ENRA Shares up to and including 26 June 2024, being the last trading day immediately preceding the Price- Fixing Date of RM0.6553 per ENRA Share.

On 5 July 2024, the Company announced that the Private Placement has been completed following the listing of and quotation for 13,491,743 Placement Shares on the Main Market of Bursa Securities on 5 July 2024.

c) Shares Buy Back/ Treasury Shares

The Shareholders have given the Directors the renewed mandate to purchase its own shares from 24 September 2024 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 30 September 2024, 1.289 million treasury shares at RM1.199 million is held by the Company.

7 Debt and equity securities (Cont...)

d) Employees' Shares Scheme ("ESS")

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 30 September 2024, no ESOS Option 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 30 September 2024.

9 Revenue

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

| | Individual Quarters | | Cumulative Quarters | |
|---------------------------------------|---------------------|---------------|---------------------|---------------|
| | 30 / 09 / 2024 | 30 / 9 / 2023 | 30 / 09 / 2024 | 30 / 9 / 2023 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Products and services: | | | | |
| Sale of properties | 929 | 645 | 1,584 | 1,660 |
| Sale of trading goods | - | - | - | - |
| Leasing | 6,226 | 5,792 | 6,226 | 11,398 |
| Services rendered | 70 | 5,222 | 179 | 9,509 |
| | <u>7,225</u> | <u>11,659</u> | <u>7,989</u> | <u>22,567</u> |
| Timing of revenue recognition: | | | | |
| At a point in time | 6,296 | 793 | 6,405 | 700 |
| Over time | 929 | 10,866 | 1,584 | 21,867 |
| | <u>7,225</u> | <u>11,659</u> | <u>7,989</u> | <u>22,567</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 30 Sept 2024 | | | | | | | |
| Revenue | | | | | | | |
| - External | 1,584 | 6,226 | 179 | - | 7,989 | - | 7,989 |
| Results | | | | | | | |
| Operating (loss)/profit | (1,425) | (9,719) | (1,277) | (3,545) | (15,965) | - | (15,965) |
| Interest income | | | | | 41 | - | 41 |
| Lease interest expense | | | | | (66) | - | (66) |
| Finance cost | | | | | (2,690) | - | (2,690) |
| Tax expense | | | | | (6) | - | (6) |
| Profit for the financial year | | | | | <u>(18,686)</u> | - | <u>(18,686)</u> |
| Earning before interest, tax, depreciation and amortisation | <u>(1,333)</u> | <u>(6,292)</u> | <u>(1,092)</u> | <u>(3,447)</u> | <u>(12,164)</u> | - | <u>(12,164)</u> |

10 Segmental information (Cont...)

| | 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 30 Sept 2023 | | | | | | | |
| Revenue | | | | | | | |
| - External | 1,660 | 20,114 | 793 | - | 22,567 | - | 22,567 |
| Results | | | | | | | |
| Operating profit/(loss) | (349) | 4,781 | (735) | (3,048) | 650 | (2) | 647 |
| Interest income | | | | | 18 | 19 | 37 |
| Lease interest expense | | | | | (63) | - | (63) |
| Finance cost | | | | | (1,238) | - | (1,238) |
| Tax expense | | | | | (231) | (4) | (235) |
| Loss for the financial year | | | | | (864) | 12 | (852) |
| Earning before interest, tax, depreciation and amortisation | (244) | 7,622 | (705) | (2,982) | 3,691 | - | 3,691 |

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) Acquisition of Hexagon SBM (Sarawak) Sdn Bhd ("HSBMS")

On 5 April 2024, Hexagon SPM Solutions Sdn Bhd ("HSPMS"), an indirect wholly-owned subsidiary of the Company, acquired 70 ordinary shares in HSBMS for RM70.00 from Encik Ikhwan bin Zaidel. The acquisition represents 70% of the total issued capital of HSBMS.

(b) Incorporation of a subsidiary, Hexagon Marine Services (S) Pte. Ltd. ("HMSS")

On 23 May 2024, Hexagon Energy Logistics Sdn Bhd ("HELSB"), an indirect wholly owned subsidiary of the Company, incorporated a new subsidiary in Singapore known as HMSS, with a paid-up share capital of USD9.00 comprising of 9 ordinary shares for the purpose of providing shipping services, including chartering of ships and boats with crew (freight).

12 Significant related party transactions

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

| | Cumulative Quarters | |
|--|---------------------|---------------|
| | 30 / 09 / 2024 | 30 / 9 / 2023 |
| | RM'000 | RM'000 |
| i) Provision of operation and maintenance (O&M) services from a non-controlling interest of subsidiaries | - | 1,878 |
| ii) Project management fee from non-controlling interest of subsidiaries | 168 | 379 |
| iii) Interest charges on mezzanine financing from directors and employee of the company | 1,171 | 819 |

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 2024 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 | Property development | Energy Logistics | Revenue MRO services | Investment holdings and others | Consolidated |
|------------------------|----------------------|------------------|-------------------------|--------------------------------|--------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| <u>FY24/25:</u> | | | | | |
| Quarter 1 | 655 | - | 109 | - | 764 |
| Quarter 2 | 929 | 6,226 | 70 | - | 7,225 |
| Full financial year | 1,584 | 6,226 | 179 | - | 7,989 |
| <u>FY23/24:</u> | | | | | |
| Quarter 1 | 1,015 | 9,893 | - | - | 10,908 |
| Quarter 2 | 645 | 10,221 | 793 | - | 11,659 |
| Quarter 3 | 1,003 | 5,182 | 12 | - | 6,197 |
| Quarter 4 | 1,920 | 138 | 235 | - | 2,293 |
| Full financial year | 4,583 | 25,434 | 1,040 | - | 31,057 |

| Quarter | Property development | Energy Logistics | MRO services | Investment holdings and others | Consolidated |
|---|----------------------|------------------|--------------|--------------------------------|--------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| | | | | | |
| <u>FY24/25:</u> | | | | | |
| Quarter 1 | (929) | (5,234) | (649) | (2,275) | (9,087) |
| Quarter 2 | (835) | (5,150) | (632) | (2,975) | (9,593) |
| Full financial year | (1,764) | (10,384) | (1,281) | (5,250) | (18,680) |
| <u>FY23/24:</u> | | | | | |
| Quarter 1 | (368) | 2,635 | (508) | (1,790) | (31) |
| Quarter 2 | (292) | 1,942 | (203) | (2,033) | (586) |
| Quarter 3 | (407) | (2,195) | (397) | (1,740) | (4,739) |
| Quarter 4 | (2,288) | (5,395) | (572) | (2,560) | (10,815) |
| Full financial year | (3,355) | (3,013) | (1,680) | (8,123) | (16,171) |
| Exceptional items | 994 | 519 | - | (88) | 1,425 |
| Full financial year excluding exceptional items | (2,361) | (2,494) | (1,680) | (8,211) | (14,746) |

14 Review of performance (cont...)

Q2 FY24/25 vs Q2 FY23/24

For the second quarter ended 30 September 2024 ("Q2 FY24/25"), the Group's revenue decreased by 38% compared to the previous year's corresponding quarter of RM11.66 million. In terms of profitability for the quarter, the Group reported a higher loss before taxation ("LBT") of RM9.59 million, compared to a loss of RM0.59 million during the same period last year.

The Energy Logistics division recorded a revenue of RM6.23 million in Q2 FY24/25 from the vessel's first two (2) chartering contracts, 39% lower as compared to the revenue of same period last year. The division recorded a LBT of RM5.15 million for the quarter, in contrast to a PBT of RM1.94 million in the same quarter last year.

The Property Development division reported a 44% increase in revenue and higher LBT by RM0.54 million for the quarter as compared to the revenue and LBT in the same period last year.

The Maintenance, Repair, and Overhaul ("MRO") Services division contributed RM0.07 million in revenue in Q2 FY24/25, with an increase in LBT by RM0.43 million compared to the LBT recorded in the same quarter last year.

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

Q2 FY24/25 vs Q1 FY24/25

The revenue for Q2 FY24/25 amounted to RM7.23 million, marking a significant increase compared to the Q1 FY24/25 revenue of RM0.76 million. This growth was driven by the commencement of the vessel's chartering operation in August 2024. However, quarter over quarter profitability shows a slightly increase in the LBT by 6%, primarily due to costs incurred in preparing the vessel for its operation.

16 Current Year Prospects

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

(a) Property Development division

The Group's affordable homes segment demonstrated stronger performance in this financial year. Our second project, Taman Vista Impian in Dengkil, achieved an encouraging sales rate of 80%, with construction progress reaching 74%. With all remaining units booked, both sales and construction are on track for project completion by June 2025.

(b) Energy Logistics division

The company's vessel, Hexagon Alpha, formerly known as Ratu ENRA, has successfully fulfilled two (2) chartering contracts and is now engaged in its third voyage. This strategic venture into the time chartering business is expected to contribute positively to the Group's earnings, reinforcing a commitment to sustainable growth and operational excellence. Through targeted asset utilisation and disciplined execution, this expansion is set to strengthen our market position and deliver long-term value to stakeholders.

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

The Group has entered into a strategic partnership with Labuan Shipyard as a contractor for maintenance, repair and overhaul (MRO) services. Building on previous progress, the Group continues to leverage its expertise in the MRO solution for diesel power generation and propulsion equipment. Concurrently, the Group is also actively participating in bids and tenders and is awaiting the outcomes of these opportunities, which is anticipated to drive growth and strengthen its competitive position in the MRO sector.

Based on the positive developments across all three of our business divisions, along with the proposed Private Placement, the Board of Directors and the Management are confident that these factors will contribute positively to our financial results, cash position, and overall net worth of the company.

17 Profit forecast

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

18 (Loss)/Profit for the financial year

| | Cumulative Quarters | |
|--|---------------------|---------------|
| | 30 / 09 / 2024 | 30 / 9 / 2023 |
| | RM'000 | RM'000 |
| (Loss)/Profit before taxation is arrived at after (crediting) / charging | | |
| Interest income | (41) | (37) |
| Interest expense | 2,690 | 1,238 |
| Lease interest expense | 66 | 63 |
| Other income including investment income | (449) | (213) |
| Depreciation of property, plant and equipment | 3,470 | 2,879 |
| Depreciation of right of use assets | 172 | 129 |
| Fair value loss on derivatives | (40) | 83 |
| Net gain on foreign exchange | (145) | 100 |

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

| | Individual Quarter | | Cumulative Quarter | |
|----------------------------------|--------------------|---------------|--------------------|---------------|
| | 30 / 09 / 2024 | 30 / 9 / 2023 | 30 / 09 / 2024 | 30 / 9 / 2023 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Malaysian income tax :- | | | | |
| - current taxation | 6 | 63 | 6 | 229 |
| - under provision for prior year | - | - | 0 | 6 |
| | 6 | 63 | 6 | 235 |

20 Borrowings and debts securities

Total borrowings of the Group were analysed as follows :

| | Short Term | Long Term | Total Group |
|----------------------------|--------------------------|--------------------------|-------------|
| | Malaysian Ringgit RM'000 | Malaysian Ringgit RM'000 | |
| As at 30 Sept 2024: | | | |
| Secured | | | |
| Term loans | 6,658 | 9,989 | 16,647 |
| Unsecured | | | |
| Term loans | 29,251 | - | 29,251 |
| | 35,909 | 9,989 | 45,898 |
| As at 30 Sept 2023: | | | |
| Secured | | | |
| Term loans | 5,000 | 721 | 5,721 |
| Unsecured | | | |
| Term loans | 8,251 | - | 8,251 |
| | 13,251 | 721 | 13,972 |

The borrowing of the Group in the table above excludes the borrowing from Discontinued Operations.

21 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 30 September 2024 are as follows:

| | Currency | Notional value RM'000 | Net Fair value (loss)/gain RM'000 |
|---|----------|-----------------------------|---|
| As at 30 Sept 2024: | | | |
| Forward currency buying contracts less than 1 year | SGD | - | - |
| Net fair value loss | | | <u>-</u> |
| As at 30 Sept 2023: | | | |
| Forward currency buying contracts less than 1 year | SGD | - | (59) |
| Forward currency selling contracts less than 1 year | USD | 2,372 | (24) |
| Net fair value loss | | | <u>(83)</u> |

22 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.

23 Material litigation

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

24 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, the ESOS option under the employee share scheme ("ESS") 2nd award and the proposed private placement, are converted into new ordinary shares.

| | Quarter Ended | | Cumulative Quarter Ended | |
|--|----------------|----------------|--------------------------|----------------|
| | 30 / 09 / 2024 | 30 / 9 / 2023 | 30 / 09 / 2024 | 30 / 9 / 2023 |
| Profit/(Loss) from continuing operation attributable to equity holders of the Company (RM'000) | (7,793) | (987) | (16,100) | (2,934) |
| Profit/(Loss) from discontinued operation (RM'000) | - | 12 | - | 12 |
| | <u>(7,793)</u> | <u>(974)</u> | <u>(16,100)</u> | <u>(2,921)</u> |
| Weighted average number of ordinary shares in issue ('000) | | | | |
| Total number of ordinary shares | 149,700 | 136,208 | 149,700 | 136,208 |
| Treasury shares | (1,289) | (1,289) | (1,289) | (1,289) |
| | <u>148,410</u> | <u>134,919</u> | <u>148,410</u> | <u>134,919</u> |
| Potential maximum shares from the warrants and ESOS option conversion to new shares | 56,872 | 47,412 | 56,872 | 47,412 |
| Potential maximum number of ordinary shares | <u>205,282</u> | <u>182,331</u> | <u>205,282</u> | <u>182,331</u> |
| (a) Basic | | | | |
| (Loss)/ Profit from operations | (5.25) | (0.73) | (10.85) | (2.17) |
| (b) Fully diluted | | | | |
| (Loss)/ Profit from operations | (3.80) | (0.54) | (7.84) | (1.61) |

By Order of the Board
ENRA Group Berhad