

ENRA®

ENRA GROUP BERHAD
199201005296 (236800-T)

**ANNUAL
REPORT
2024**



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OUR VISION

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

OUR SHARED VALUES



ETHICAL

To make decisions that promote goodness and avoid harm



NOBLE

To behave in a manner that is respectful to others



RELIABLE

To keep and deliver promises that have been made



ACCOUNTABLE

To take ownership to all outcomes and never passing blame

CORPORATE INFORMATION



BOARD OF DIRECTORS

Datuk Ali bin Abdul Kadir

Chairman, Independent
Non-Executive Director

Tan Sri Dato' Kamaluddin bin Abdullah

President & Group Chief Executive
Officer

Kok Kong Chin

Executive Director

Tan Sri Dato' Seri Shamsul Azhar bin Abbas

Senior Independent Non-Executive
Director

Dato' Wee Yiau Hin

Independent Non-Executive
Director

Loh Chen Yook

Independent Non-Executive
Director

Tunku Afwida binti Tunku Abdul Malek

Independent Non-Executive
Director

AUDIT, RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

Tan Sri Dato' Seri Shamsul Azhar bin Abbas

Chairman

Dato' Wee Yiau Hin

Member

Tunku Afwida binti Tunku Abdul Malek

Member

Loh Chen Yook

Member

BOARD NOMINATION AND REMUNERATION COMMITTEE

Dato' Wee Yiau Hin

Chairman

Tan Sri Dato' Seri Shamsul Azhar bin Abbas

Member

Tunku Afwida binti Tunku Abdul Malek

Member

EMPLOYEES' SHARE SCHEME COMMITTEE

Dato' Wee Yiau Hin

Chairman

Tan Sri Dato' Seri Shamsul Azhar bin Abbas

Member

Tunku Afwida binti Tunku Abdul Malek

Member

COMPANY SECRETARY

Chin Soo Ching @ Chen Soo Ching
MAICSA 7042265
SSM PC No.: 202008002101

SHARE REGISTRAR

Bina Management (M) Sdn Bhd
Lot 10, The Highway Centre
Jalan 51/205
46050 Petaling Jaya
Selangor
Tel : +603-7784 3922
Fax : +603-7784 1988

REGISTERED OFFICE

D3-U6-15, Block D3
Solaris Dutamas
No. 1, Jalan Dutamas 1
50480 Kuala Lumpur
Tel : +603-2300 3555
Fax : +603-2300 3550
Email : info@enra.my
Website : www.enra.my

AUDITORS

BDO PLT
LLP0018825-LCA & AF 0206
Level 8
BDO @ Menara CenTARA
360 Jalan Tuanku Abdul Rahman
50100 Kuala Lumpur

PRINCIPAL BANKERS

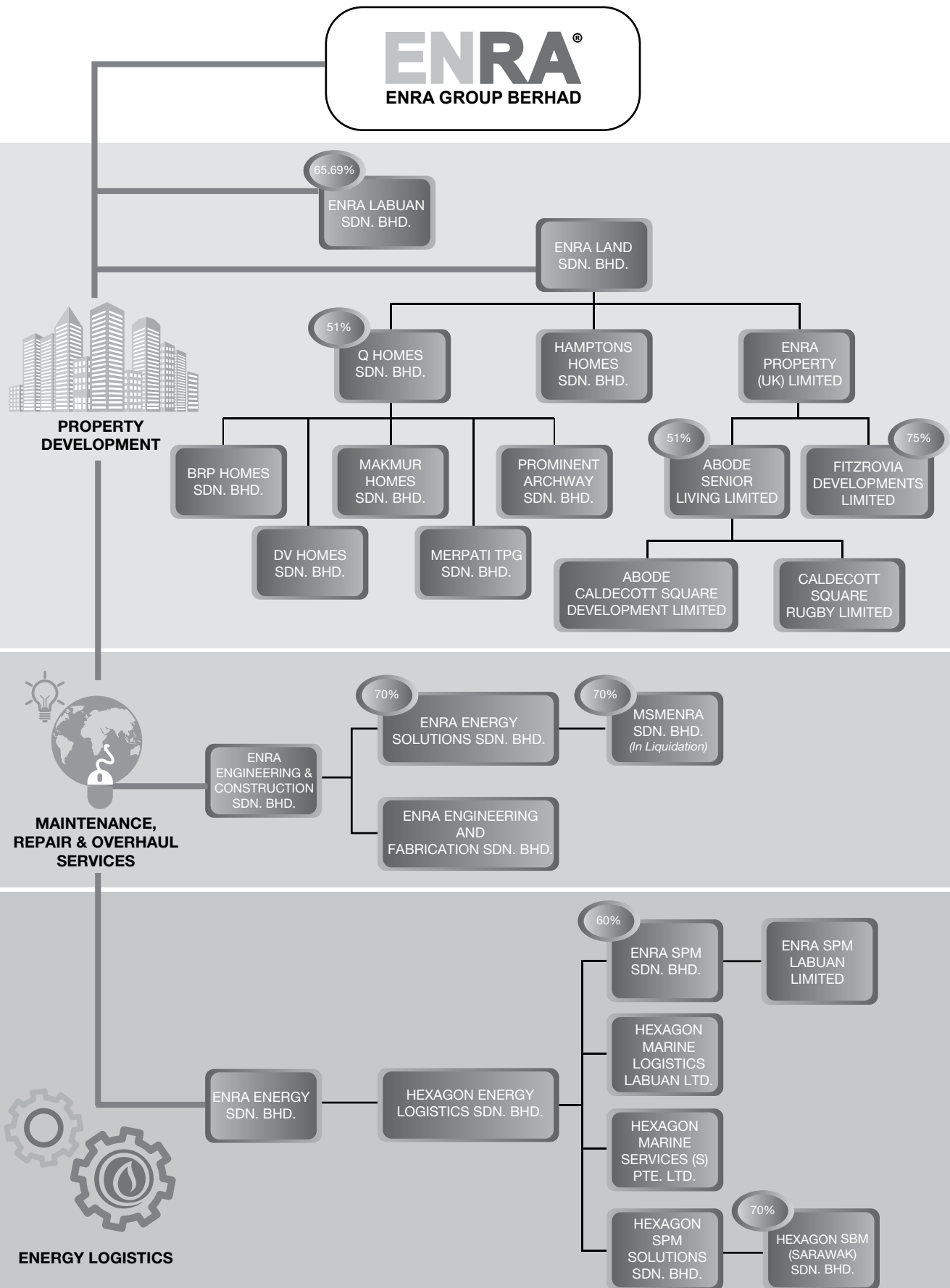
CIMB Bank Berhad
Malayan Banking Berhad
Bank Kerjasama Rakyat Malaysia
Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad
Stock Code: 8613
Stock Name: ENRA

CORPORATE STRUCTURE

AS AT 14 JUNE 2024



Entities are 100%-owned unless otherwise stated

DEFINITIONS

GENERAL	
AGM	Annual General Meeting
Board	Board of Directors
Bursa Securities	Bursa Malaysia Securities Berhad
ENRA or the Company	Specifically, ENRA Group Berhad, the investment holding company of the Group
ENRA Group or the Group	ENRA and its group of subsidiaries and associate interests
MCCG 2021	Malaysian Code on Corporate Governance 2021
MMLR	Main Market Listing Requirements
SC	Securities Commission Malaysia

FINANCIAL	
EI	Exceptional Items
FYE	Financial Year Ending/Ended 31 March
LATAMI	Loss After Tax and Minority Interest
LBT	Loss Before Tax
PATAMI	Profit After Tax and Minority Interest
PBT	Profit Before Tax
ROA	Return on Assets
ROE	Return on Equity

ENERGY LOGISTICS	
Energy Logistics division	ENRA Energy, Hexagon Energy Logistics Sdn. Bhd., and their respective subsidiaries and associate interests
ENRA Energy	ENRA Energy Sdn. Bhd. (a subsidiary of ENRA)
ENRA SPM	ENRA SPM Sdn. Bhd. (a subsidiary of Hexagon Energy Logistics Sdn. Bhd.)
FSO	Floating Storage and Offloading
GPM	Gulf Petroleum Myanmar
HMLL	Hexagon Marine Logistics Labuan Ltd. (a subsidiary of Hexagon Energy Logistics Sdn. Bhd.)
Ratu ENRA	HMLL's oil/chemical tanker, currently converted into a FSO vessel
SPM	Single Point Mooring

MAINTENANCE, REPAIR & OVERHAUL SERVICES	
EES	ENRA Energy Solutions Sdn. Bhd. (a subsidiary of ENRA Engineering & Construction Sdn. Bhd.)
MRO	Maintenance, Repair & Overhaul
MRO Services division	ENRA Engineering & Construction Sdn. Bhd., EES, and their respective subsidiaries and associate interests

PROPERTY DEVELOPMENT	
ENRA Land	ENRA Land Sdn. Bhd. (a subsidiary of ENRA)
GDV	Gross Development Value
Property Development division	ENRA Land, ENRA Labuan Sdn. Bhd., and their respective subsidiaries and associate interests
Q Homes	Q Homes Sdn. Bhd. (a subsidiary of ENRA Land)
UK	The United Kingdom

FIVE-YEAR FINANCIAL HIGHLIGHTS

	FYE 2020	FYE 2021 Restated	FYE 2022	FYE 2023	FYE 2024
Continuing Operations					
- Revenue (RM'000)	226,646	55,302	62,707	30,479	31,057
- Gross profit/(loss) (RM'000)	43,927	16,693	19,853	(1,909)	154
- PBT/(LBT) before EI (RM'000)	8,362	2,003	(4,092)	(14,706)	(14,746)
- (Loss)/Profit After Tax (RM'000)	4,481	(8,053)	5,596	(39,519)	(16,460)
- (LATAMI)/PATAMI (RM'000)	2,480	(6,360)	7,319	(25,458)	(14,877)
- (LATAMI)/PATAMI before EI (RM'000)	2,480	3,380	(6,787)	(12,213)	(13,055)
- EPS (sen)	1.84	(4.71)	5.42	(18.87)	(11.02)
- EBITDA (RM'000)	36,475	2,518	15,615	(31,784)	(13,712)
- EBITDA before EI (RM'000)	36,475	12,259	5,274	(7,031)	(12,287)
Shareholders' equity (RM'000)	121,825	114,256	111,307	87,305	75,501
Number of shares (excluding treasury shares) ('000)	134,919	134,919	134,919	134,919	134,919
Net assets per share (RM)	0.90	0.85	0.82	0.65	0.56
Share price as at year end (RM)	1.20	0.62	0.87	0.75	0.64
Market capitalisation as at year end (RM'000)	161,902	83,649	117,379	101,189	86,348

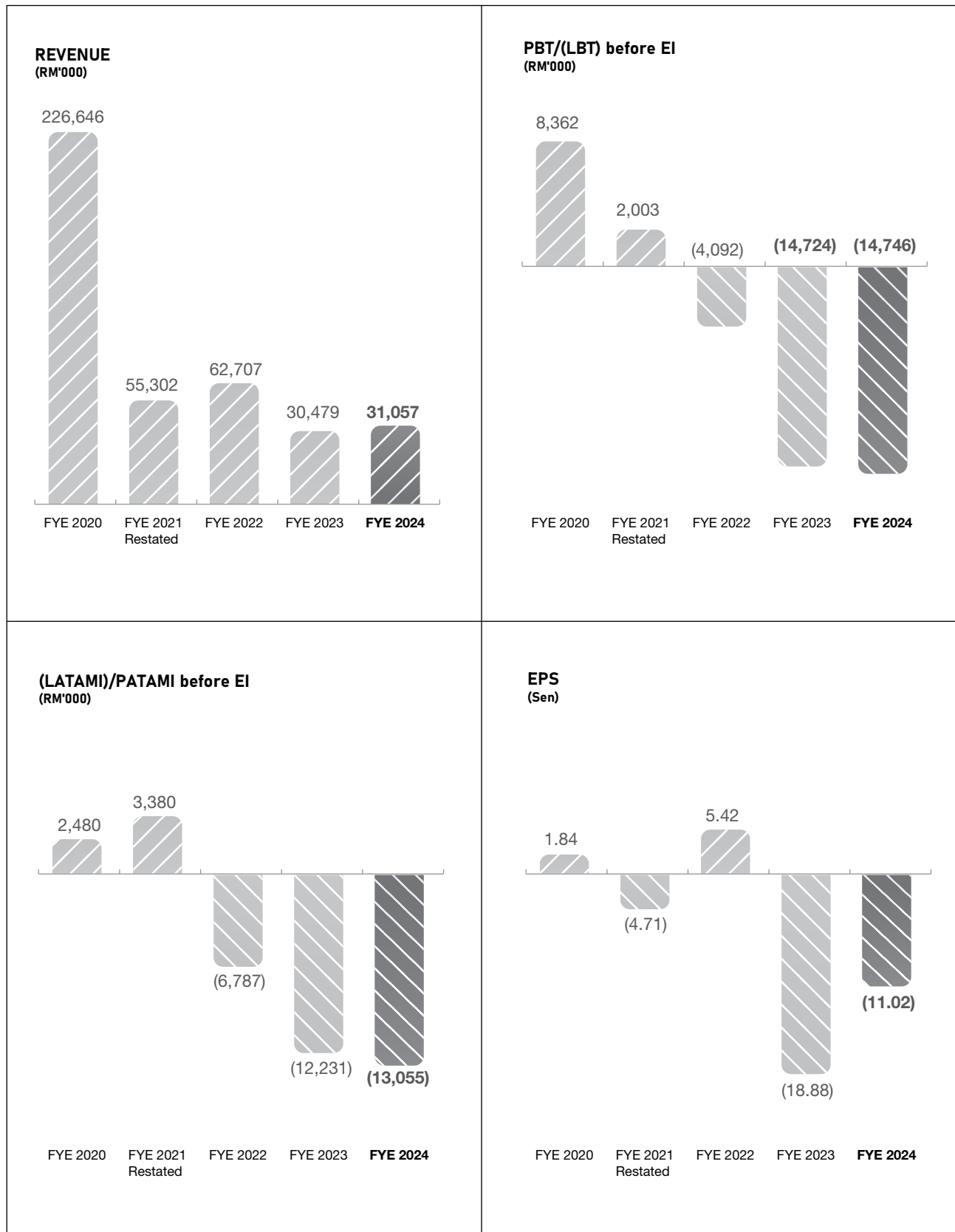
Exceptional Items (RM'000) (above RM1.0 million)

Net realisable value write down for inventories	-	-	241	13,481	1,026
Full impairment of the remaining balance of a trade receivable	-	-	-	723	-
Impairment on goodwill on acquisition	-	8,536	-	400	-
Mutual separation scheme	-	1,205	-	-	-
Gain on disposal of Subsidiaries	-	-	(19,588)	-	(120)
Impairment of Property, Plant and Equipment ("PPE")	-	-	9,006	-	519
Mutual settlement on arbitration case	-	-	-	10,148	-
Total EI	-	9,741	(10,341)	24,752	1,425

EBITDA Working (RM'000)

(LBT)/PBT	8,362	(7,738)	6,249	(39,458)	(16,171)
(+) Interest expense (including MFRS 116 and MFRS 16)	3,979	2,799	1,981	1,603	(3,663)
(+) Depreciation & amortisation (including MFRS 116 and MFRS 16)	24,134	7,457	7,385	6,071	6,122
EBITDA	36,475	2,518	15,615	(31,784)	(13,712)

FIVE-YEAR FINANCIAL HIGHLIGHTS



CHAIRMAN'S STATEMENT

Dear Shareholders,

This past fiscal year has marked a significant chapter in our company's journey — a period of rebuilding, strategising, and preparing for a promising future.

Despite navigating a challenging competitive landscape and economic uncertainties in recent years, ENRA has made substantial progress in strengthening our foundation. Throughout FYE 31 March 2024, we focused on restructuring and realigning our strategies. Initiatives such as rigorous cost management, streamlined operations, and enhanced product development have stabilised our operations and set a robust framework for future growth and profitability.

Looking ahead, we are optimistic about the prospects for ENRA Group. Our team remains dedicated and motivated, guided by a shared vision of excellence and resilience. Together, we are determined to steer the Company towards a prosperous future, where we anticipate harvesting the fruits of our labour in the coming years.

In closing, I extend my heartfelt gratitude to our shareholders, customers, and employees for their unwavering support and commitment during these transformative times. With confidence and determination, we embark on the next phase of our journey, fully committed to delivering sustainable growth and value creation.

Datuk Ali bin Abdul Kadir

Chairman
20 June 2024



DIRECTORS' PROFILE

DATUK ALI BIN ABDUL KADIR

Chairman, Independent Non-Executive Director

Male

Malaysian

75

Datuk Ali was appointed to the Board as Chairman on 1 June 2015. He had served on the Audit, Risk Management and Sustainability Committee from 2015 to 2022 until he stepped down in accordance with MCCG's recommendation for the Chairman.

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

Datuk Ali is currently the Chairman of JcbNext Berhad and other private companies and foundations. He is also the Chairman of Amanah Lestari Alam and Persatuan Makanan Ehsan.

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

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

He does not have any family relationship with any director and/or major shareholder of the Company, or any conflict of interests in any business arrangement involving the Company except for the potential conflict of interest in relation to the mezzanine loan provided to the Group on arm's length basis via Rio Venture Sdn Bhd, of which he is a major shareholder.

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

He attended all 6 Board meetings held during the financial year under review.

TAN SRI DATO' KAMALUDDIN BIN ABDULLAH

President & Group Chief Executive Officer

Male

Malaysian

57

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

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

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

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

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

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

He attended all 6 Board meetings held during the financial year under review.

Directors' Profile (Cont'd)

KOK KONG CHIN

Executive Director

Male

Malaysian

58

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

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

He has over 30 years of experience in the areas of strategy, general management, private equity, corporate and investment banking. He has held several key senior positions in CIMB Group during his tenure at the banking group, and was also Independent Non-Executive Director of Ping Petroleum Ltd and Group Managing Director of Tropicana Corporation Berhad. Currently he is the Independent Non-Executive Chairman of Pekat Group Berhad.

He does not have any family relationship with any director and/or major shareholder of the Company, or any conflict of interests in any business arrangement involving the Company except for the potential conflict of interest in relation to the mezzanine loan he provided to the Group on arm's length basis.

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

He attended all 6 Board meetings held during the financial year under review.

TAN SRI DATO' SERI SHAMSUL AZHAR BIN ABBAS

Senior Independent Non-Executive Director

Male

Malaysian

72

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

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

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

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

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

He is currently the Chairman of the Board of Deleum Berhad.

He does not have any family relationship with any director and/or major shareholder of the Company, or any conflict of interests in any business arrangement involving the Company except for the potential conflict of interest in relation to the mezzanine loan he provided to the Group on arm's length basis.

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

He attended all 6 Board meetings held during the financial year under review.

Directors' Profile (Cont'd)

DATO' WEE YIAW HIN

Independent Non-Executive Director

Male

Malaysian

65

Dato' Wee was appointed to the Board on 24 August 2016. He is a member of the Audit, Risk Management and Sustainability Committee and the Chairman of the Board Nomination and Remuneration Committee and the Employees' Share Scheme Committee.

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

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

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

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

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

He attended 5 Board meetings held during the financial year under review.

LOH CHEN YOOK

Independent Non-Executive Director

Male

Malaysian

69

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

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

He does not have any family relationship with any director and/or major shareholder of the Company, or any conflict of interests in any business arrangement involving the Company except for the potential conflict of interest in relation to the mezzanine loan he and his son, Mr. Loh Fatt Chong, provided to the Group on arm's length basis.

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

He attended all 6 Board meetings held during the financial year under review.

Directors' Profile (Cont'd)

TUNKU AFWIDA BINTI TUNKU ABDUL MALEK

Independent Non-Executive Director

Female

Malaysian

58

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

She holds a Bachelor of Science (Honours) degree in Economics and Accountancy from City University London, UK, qualified as a Chartered Accountant from the ICAEW and is a member of the MIA.

Tunku Afwida has held senior roles in investment banks. From 2006 until 2008, she was the Chief Executive Officer ("CEO") and Executive Director ("ED") of Kenanga Investment Bank Berhad. Prior to that, from 2003 to 2006, she was CEO and ED of MIMB Investment Bank Berhad (now known as Hong Leong Investment Bank Berhad) and from 1995 to 2003, she was ED/Chief Investment Officer of Commerce Asset Fund Managers Sdn Bhd. She was also the Senior Independent Director of Telekom Malaysia Berhad before her retirement in May 2024 and was a Director and shareholder of Asia Equity Research Sdn Bhd from 2015 to 2022.

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

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

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

She attended all 6 Board meetings held during the financial year under review.

KEY SENIOR MANAGEMENT'S PROFILE

DANIEL LAU LEE HOONG

Chief Investment Officer

Date Appointed:

1 December 2021

Nationality:

Malaysian

Age/Gender

41/Male

Qualifications

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

Working Experience

- Maestro Capital Sdn Bhd, a boutique M&A advisory firm (2010 - 2014)
- CIMB Investment Bank Berhad (2006 - 2009)

Directorship/Relevant Appointments (outside ENRA)

- N/A

AMIR RUQAIMI BIN NGAH

Chief Financial Officer

Date Appointed:

1 February 2021

Nationality:

Malaysian

Age/Gender

39/Male

Qualifications

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

Working Experience

- MSM Trading International DMCC (MTID) Dubai, UAE – Head of Finance (2016 - 2019)
- MSM Malaysia Holdings Berhad, Malaysia – Accountant (2011 - 2015)
- Felda Holdings Berhad – Finance Executive (2008 - 2011)

Directorship/Relevant Appointments (outside ENRA)

- N/A

IKHLAS BIN ZAINAL

*Chief Executive Officer of
ENRA Energy Solutions
Sdn Bhd*

Date Appointed:

1 January 2023

Nationality:

Malaysian

Age/Gender

41/Male

Qualifications

- Bachelor of Science, Industrial Design, Faculty of Mechanical Engineering UTM Skudai, Johor

Working Experience

- MTU Services (M) Sdn Bhd – Chief Operating Officer (2019 - 2022)
– Director Operations (2014 - 2018)
– General Manager, Service Centre (2009 - 2014)
- Motor Teknologi and Industri Sdn Bhd – Chief Operating Officer (2019 - 2022)
- Central Management and Cataloguing Agency, CMCA – Chief Operating Officer (2019 - 2022)

Directorship/Relevant Appointments (outside ENRA)

- N/A

ADDITIONAL INFORMATION ON THE KEY SENIOR MANAGEMENT

Family Relationship with any Directors and/or Major Shareholder

None of the Key Senior Management have family relationship with any other Directors and/or Major Shareholders of the Company.

Conflict of Interest

None of the Key Senior Management have any conflict of interest with the Company.

Conviction for Offences (within the past 5 years, other than traffic offences)

None of the Key Senior Management have any conviction for offences (other than traffic offences, if any) and have not been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year.

MANAGEMENT DISCUSSION AND ANALYSIS

ENRA Group Berhad concludes the financial year ending 31 March 2024 by continuing to grow and streamline its existing businesses.

FINANCIAL SNAPSHOT FOR THE YEAR UNDER REVIEW

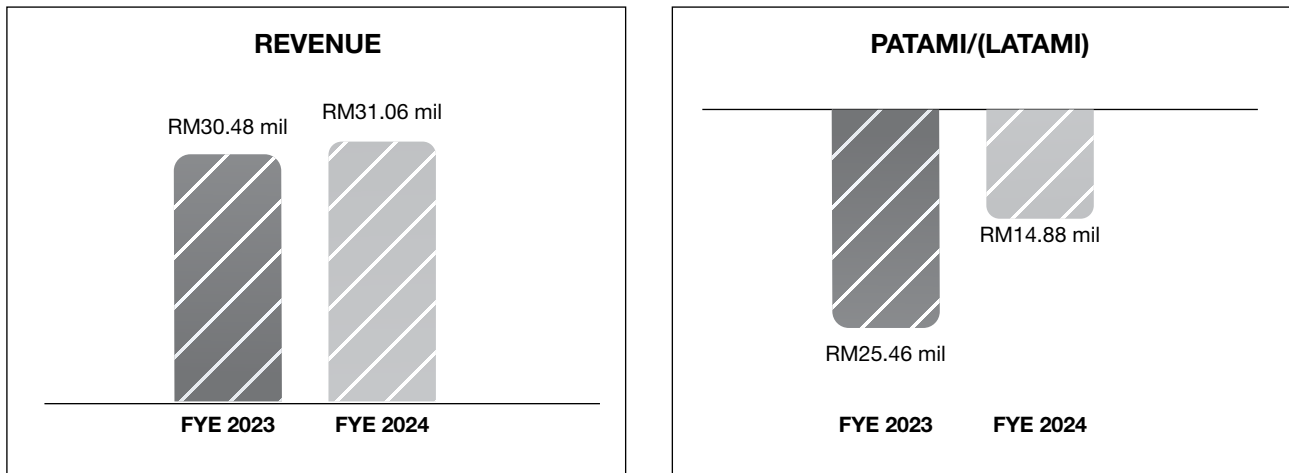
	FYE 2023 RM mil	Change %	FYE 2024 RM mil	Remarks
Revenue	30.47	1.94	31.06	
<i>Energy Logistics</i>	23.66	7.48	25.43	
<i>Property Development</i>	5.61	(18.36)	4.58	
<i>MRO Services</i>	1.20	(13.33)	1.04	
Gross Profit/(Loss)	(1.91)	92.15	0.15	
<i>Energy Logistics</i>	(2.63)	107.85	0.54	<ul style="list-style-type: none"> • One-off settlement of USD3.35 million by ESPM to PT CMS in FYE 2023. • End of Myanmar contract in November 2023.
<i>Property Development</i>	0.59	(196.61)	(0.57)	<ul style="list-style-type: none"> • Ongoing sales and construction of Taman Vista Impian project in Dengkil. • LAD charges for Telok Panglima Garang incurred in March 2024.
<i>MRO Services</i>	0.13	38.46	0.18	
PATAMI/(LATAMI)	(25.46)	n.m.	(14.88)	
ROE	(29.2%)	n.m.	(22.75%)	
ROA	(16.6%)	n.m.	(9.8%)	

KEY HIGHLIGHTS FOR THE YEAR

- i. Completion of Ratu ENRA's GPM FSO contract in November 2023 - Ratu ENRA now undergoing a scheduled periodical Dry Dock and Special Survey before continuing operations;
- ii. First full year of operations for new MRO Services division;
- iii. Maiden Malay-reserved development project at Taman Iram Perdana, Telok Panglima Garang completed vacant possession and delivered 100% of its units; and
- iv. Commenced Taman Vista Impian development in Dengkil which is expected to complete in the next financial year.

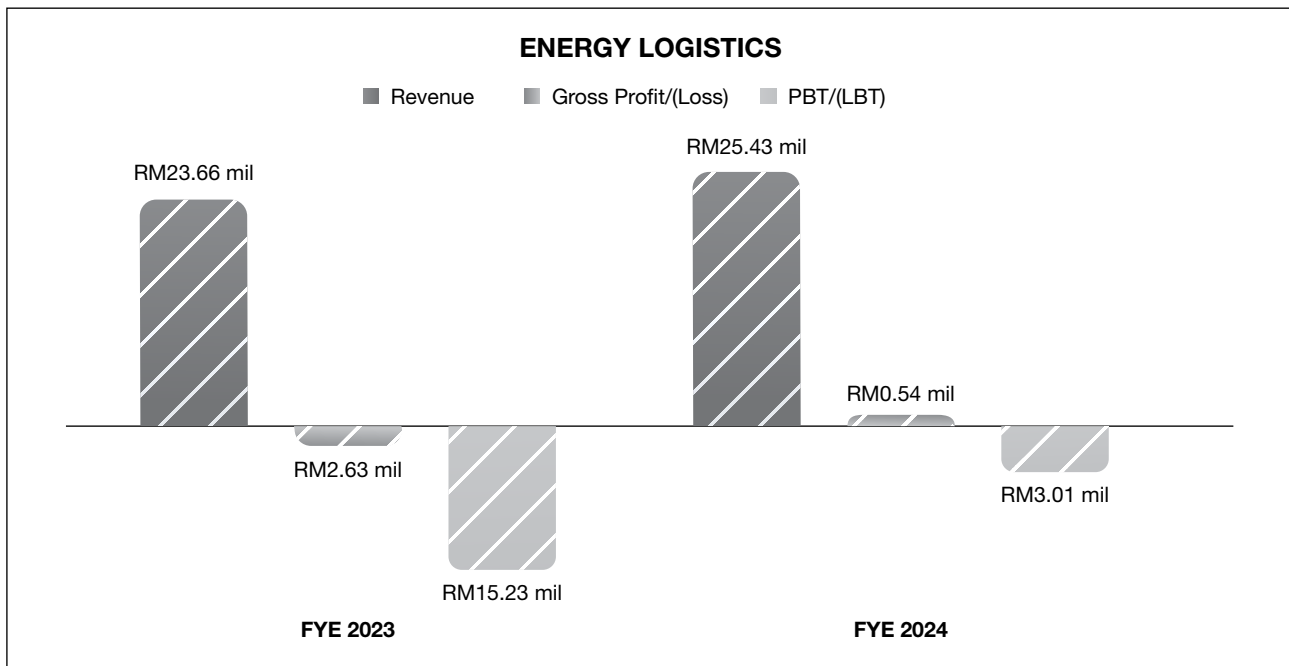
Management Discussion and Analysis (Cont'd)

FINANCIAL PERFORMANCE



ENRA's FYE 2024 total revenue increased by RM0.58 million which was mainly contributed by the Energy Logistics division. The Group's LATAMI has reduced as a one-off settlement made for the arbitration by PT CMS of USD3.35 million (approximately RM10.15 million) was incurred in FYE 2023.

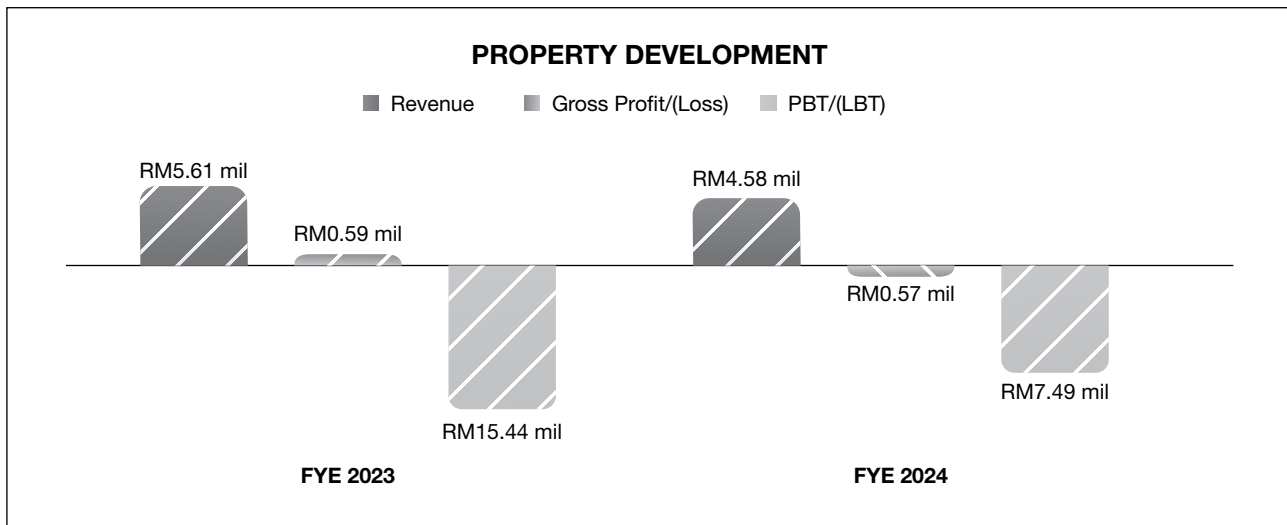
ENERGY LOGISTICS



The Energy Logistics division's main business is the provision of storage and transportation products and services encompassing FSOs/tankers, shipping services, and SPM solutions. This division generated RM25.43 million of revenue and RM0.54 million of gross profit for FYE 2024, mainly due to the completion of the GPM FSO contract in November 2023 followed by Ratu ENRA's periodical special survey and dry dock in the remaining months of FYE 2024.

Management Discussion and Analysis (Cont'd)

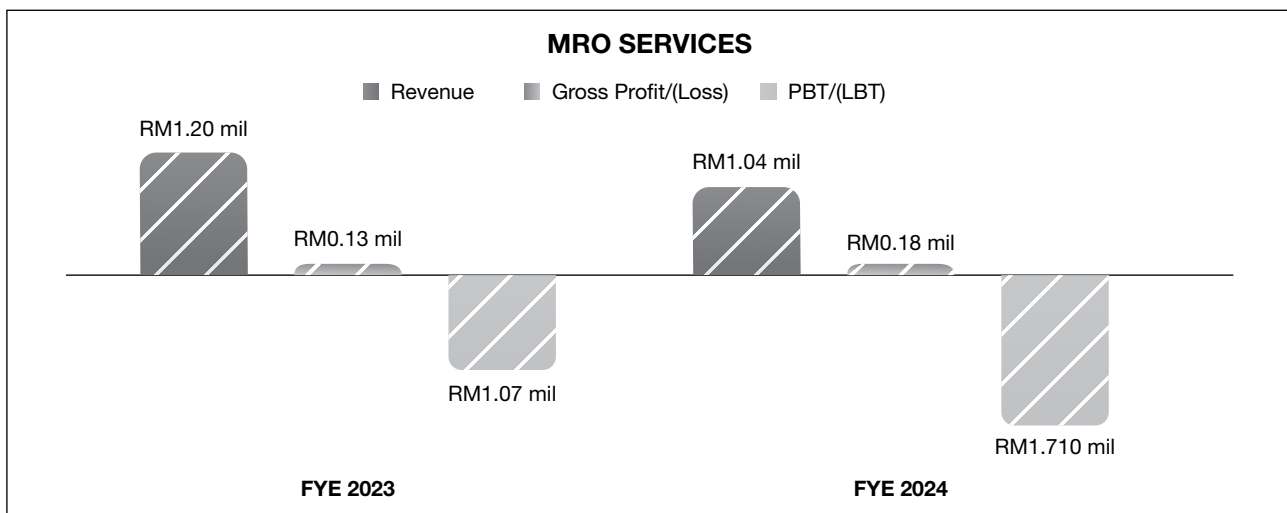
PROPERTY DEVELOPMENT



Revenue for the Property Development division declined from RM5.61 million in FYE 2023 to RM4.58 million in FYE 2024. The decline in revenue was due to the delivery of vacant possession of all the Telok Panglima Garang units in Q1 2024 and Taman Vista Impian, Dengkil having sold only 42% of units in FYE 2024. Despite very strong bookings (4x the number of units), the high interest rates and conservative lending environment in FYE 2024 resulted in a low conversion of bookings into sales and home loans.

Our project in Rugby, UK has yet to begin development due to the UK's uncondusive market conditions - high interest rates and low consumer confidence led to a soft residential market for most of FYE 2024.

MRO SERVICES



Revenue and gross profit for the MRO Services division remains largely consistent year-on-year. However, expenses have increased for this division as it is actively recruiting and building capability to pursue a wider pool of clients.

Management Discussion and Analysis (Cont'd)

FINANCIAL POSITION OVERVIEW

ENRA ends the financial year with a positive balance sheet:

- **Net assets** have decreased from RM86.2 million as at 31 March 2023 to RM72.3 million as at 31 March 2024;
- **Gearing** has increased to 0.47 times in FYE 2024 compared to 0.16 times in FYE 2023; and
- **Cash and cash equivalents** have decreased from RM12.8 million in FYE 2023 to RM5.3 million in FYE 2024.

FUTURE PROSPECTS

Energy Logistics

The Energy Logistics division continues to be the primary contributor to the Group's revenue. Current assets within this division include the FSO Ratu ENRA and a SPM, supported by a dedicated and technically capable team that is actively pursuing and bidding for FSO and SPM projects.

This division has a golden opportunity to grow due to the strong oil & gas, and shipping markets. Elevated oil prices caused by the prevailing geopolitical environment and general high cost of extracting oil has led to an increasing number of new and marginal oil fields being developed. Furthermore, the gap between the availability and demand of vessels will take time to resolve, aggravated by the increased sailing distances due to uncertainty in the Red Sea. Consequently, the logistics of oil, gas, and related cargo for storage or transport purposes are anticipated to be in high demand and supportive of strong charter rates. In addition, the transition to renewable energy sources is experiencing its own financial and technical challenges, ensuring the relevance of the oil & gas industry for the foreseeable future.

As such, we believe the outlook of this division is favourable with the team actively evaluating vessel fleet expansion opportunities as well as pursuing niche FSO and SPM solutions.

Property Development

Diminished external demand has tempered Malaysia's economic expansion thus impacting buyer sentiment. Nonetheless, there has been a rise in the average listing prices of residences, coupled with cautious optimism among sellers regarding the market's forthcoming direction. Management anticipates that the market sentiment is favourable toward landed properties. Furthermore, stamp duty exemption for residential transactions below RM500,000 for first-time home buyers, announced in Budget 2024, will help reduce the number of overhang properties complementing our affordable homes product.

The Group's development in Rugby, UK continues to face headwinds from fluctuating exchange rates, high interest rates, and supply and logistical challenges. Management will continue to assess the market conditions before reigniting the project.

After assessing the property sector's outlook for the forthcoming year, Management will continue to remain focused on opportunities primarily within Malaysia. We will prioritise the successful sale of the Group's existing projects before embarking on the development of new sites. The Group remains open to exploring opportunities both within and beyond the affordable housing market – which remains the largest potential market in Malaysia.

Management Discussion and Analysis (Cont'd)

MRO Services

The division will continue to strategically promote its services and solutions to both governmental and commercial sectors. The emphasis will be on diesel power generation and propulsion equipment, covering maintenance, machining, repairs and related services across diverse sectors such as oil & gas, agriculture, marine, transportation, and others.

We are diligently preparing our facilities and manpower to bid for a comprehensive maintenance and repair contract for critical propulsion systems aboard marine assets. Simultaneously, we are looking to partner with shipyards to bid for the refurbishment of aging ships, positioning ourselves to secure new shipbuilding projects. The Group is confident that the time and effort invested in building this foundation over the past year, along with the positive market response, will lead to favourable outcomes in the near future.

CONCLUSION

ENRA maintains a prudent approach to cost management and risk mitigation practices. By remaining diversified, we strive to create steady revenue streams across our various divisions, thereby minimising dependence on any one sector. Overall, our outlook is positive, with each division poised for growth and success. We remain committed to leveraging market conditions, enhancing our capabilities, and exploring new avenues to ensure sustained progress and stability for the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

This Corporate Governance Overview Statement is prepared in compliance with the MMLR of Bursa Securities and takes guidance from the key CG principles as set out in the MCCG 2021. This statement is supplemented with the Corporate Governance Report (“CG Report”) which provides the details on how the Company has applied each Practice of good governance with the relevant provisions as prescribed in the MCCG 2021 during FYE 2024. The CG Report is available on the Company’s website at www.enra.my.

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

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

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

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

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

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

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

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

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (Cont'd)

The Board has adopted a Board Charter, which sets out its roles, functions, composition, operation and process giving consideration to the principles of good corporate governance and requirements of the MMLR of Bursa Securities. The Board Charter which serves as a source of reference for all Directors will be reviewed and updated periodically in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

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

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

Subsequent to the introduction of Corporate Liability Provision for bribery and corruption under Section 17A of the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act"), the Board had in May 2020 adopted ENRA Group's Anti-Corruption Policy & Procedure which sets out the policies and procedures towards compliance with the MACC Act. The Company has further enhanced its Anti-Corruption Policy & Procedure by developing the Gifts and Hospitality Reporting Guidelines to set out quantitative guidance for the acceptable standard and to maintain the high level of integrity and public trust in the conduct of ENRA Group's businesses associated gifts and hospitality.

In line with Paragraph 15.01A of the MMLR of Bursa Securities, a formal Directors' Fit & Proper Policy for appointment and re-election/re-appointment of Directors was adopted on 24 November 2022.

The Board had on 24 November 2022, adopted a Sustainability (ESG) Policy which sets out guidance on how to conduct the business responsibly so that the Company create long-term value for its stakeholders and improve its long term performance and resilience.

During the financial year, the Board has adopted the revised TOR of the ARMSC whereby the scope of the ARMSC's review on conflict of interest ("COI") or potential COI situations as well as the measures taken to eliminate such situations and the disclosure requirements pursuant to the MMLR had been expanded. On 22 February 2024, the Board had adopted a Conflict of Interest Policy for Directors and Key Senior Management to provide guidance on how to deal with COI or potential COI situations as they arise while assisting the Directors and Key Senior Management to perform with high integrity and ethical standards and to ensure that actual, potential and perceived COI are identified and managed effectively.

The details of the Board Charter, Directors' Code of Ethics, Code of Business Conduct, Whistleblowing Policy, Anti-Corruption Policy & Procedure, the Gifts and Hospitality Reporting Guidelines, the Directors' Fit & Proper Policy, the Sustainability (ESG) Policy and Conflict of Interest Policy for Directors and Key Senior Management are available on the Company's website (www.enra.my).

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

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. Board Composition

The strength of the Board lies in the composition of its members, who have a wide range of expertise, extensive specialised experience in ENRA's various business areas and diverse backgrounds. As of the date of this Statement, the Board consists of seven (7) members comprising five (5) Independent Non-Executive Directors and two (2) Executive Directors (including the President and Group Chief Executive Officer) which meets the requirement of Practice 5.2 of the MCCG 2021 where at least half of the Board comprises Independent Directors and in line with the requirements of Paragraph 15.02 of the MMLR of Bursa Securities.

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

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

Nonetheless, the Board takes cognisance of the recommendation to have gender diversity on the Board. The Board, through the BNRC, is taking steps to ensure that women candidates are sought as part of its recruitment exercise when vacancies on the Board arise. At present, Tunku Afwida binti Tunku Abdul Malek, the only women representative on the Board, constitutes 14% of the Board Composition.

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

All the Directors had participated in the Board and Board Committees assessment and evaluation process for the financial year 2024. The performance evaluation of the Board for FYE 2024 included a review of the performance of the Board in addressing the Company's material sustainability risks and opportunities to drive Environmental, Social and Governance strategy and implementation.

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

III. Remuneration

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

The remuneration of the Non-Executive Directors is determined in accordance with their experience and the level of responsibilities assumed as well as their contribution to the Company. The determination of the remuneration of the Non-Executive Directors is a matter for the Board to consider and individual Directors do not participate in decisions regarding their own remuneration package, and are subject to the prior approval of shareholders at the AGM of the Company. The Company reimburses reasonable expenses incurred by the Non-Executive Directors in the course of their duties as Directors. During FYE 2024, the BNRC had undertaken the following activities in relation to remuneration matters: -

- (a) Considered and recommended the remuneration of the Non-Executive Directors for shareholders' approval at the 31st AGM of the Company.
- (b) Reviewed the scorecard achievements for the Executive Directors.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. Remuneration (Cont'd)

The Board has a formalised Remuneration Policy for Directors and Senior Management which outlines the principles for the BNRC to determine and propose an appropriate level of remuneration for the Directors and Senior Management. The policy is available on the Company's website at www.enra.my.

Details of the remuneration of the Directors of the Company for FYE 2024 are provided in Practice 8.1 of the CG Report.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit, Risk Management and Sustainability Committee

The Board has established an ARMSC to provide robust and comprehensive oversight on the financial reporting matters as well as the external audit, internal audit and sustainability processes. The ARMSC comprises four (4) members, all of whom are Independent Non-Executive Directors. The Company also complies with Practice 9.1 of the MCCG 2021 that the Chairman of the ARMSC is not the Chairman of the Board. In line with the requirements of Paragraph 15.09 (1)(c)(i) of the MMLR of Bursa Securities, one (1) of the members of ARMSC is a member of the Malaysian Institute of Accountants ("MIA") and a qualified Chartered Accountant with the Institute of Chartered Accountants in England and Wales ("ICAEW").

The Board upholds the integrity of financial reporting by the Company. As such, it has established procedures, via the ARMSC, in assessing the suitability and independence of the external auditors. Such procedures entail the provision of written assurance by the external auditors, confirming that they are, and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out by the MIA. The ARMSC has met with the external auditors without the presence of the Executive Directors and Management twice during FYE 2024.

The ARMSC is satisfied in its review that the provision of non-audit services by Messrs. BDO PLT to the Group for FYE 2024 did not in any way impair their objectivity and independence as external auditors of the Company.

On an annual basis, the ARMSC reviews and monitor the suitability and independence of the external auditors. The ARMSC is satisfied with the competence and independence of the external auditors and had recommended the re-appointment of Messrs. BDO PLT as external auditors for shareholders' approval at the 32nd AGM.

II. Risk Management and Internal Control Framework

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

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

The Statement on Risk Management and Internal Control as set out between pages 83 and 88 in this Annual Report provides an overview of the management of risks and the state of internal controls within the Group.

The Company has in its employment, an internal auditor ("Internal Auditor") who reports directly to the Chairman of the ARMSC. The internal audit function reviews the controls and processes of the organisation in accordance with the approved audit plan which adopts a risk-based approach toward planning and audit execution. The scope of work covered by the internal audit function during the financial year is set out on page 82 of this Annual Report.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Communication with Stakeholders

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

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

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

II. Conduct of General Meetings

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

The Company had on 7 September 2023, conducted its 31st AGM virtually through live streaming and online remote voting using the Remote Participation and Voting ("RPV") facility. The RPV allows attendance of shareholders and proxies via remote participation, voting in absentia and real-time interaction with the Board and Senior Management. Questions to the Board were allowed to be submitted in advance and through the real time submission of typed texts during the proceedings of the meetings. Further, in line with Practice 13.1 of the MCCG 2021, the notice convening the 31st AGM dated 27 July 2023 was issued more than 28 days prior to the AGM, which gives shareholders sufficient time to prepare themselves to attend the AGM of the Company or to appoint a proxy to attend and vote on their behalf. Each item of special businesses included in the notice of AGM is accompanied by an explanatory statement for the proposed resolution to facilitate the full understanding and evaluation of the issues involved.

During the 31st AGM held on 7 September 2023, shareholders were briefed on the voting procedures and the results of the poll were verified by the independent scrutineer, Commercial Quest Sdn Bhd and displayed on the screen. The results of all resolutions proposed at the 31st AGM were subsequently announced to Bursa Securities via Bursa LINK on the same day for the benefit of all shareholders.

The minutes of the 31st AGM detailing the meeting proceedings including issues or concerns raised by shareholders and responses by the Company are accessible at the Company's website (www.enra.my).

KEY FOCUS AREAS AND FUTURE PROSPECTS

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

This CG Overview Statement was approved by the Board of ENRA on 20 June 2024.

SUSTAINABILITY REPORT

ABOUT THIS REPORT

ENRA is delighted to present its Sustainability Report for FYE 2024. This Report aims to offer a comprehensive account of the Group's ongoing strategic endeavors, initiatives, and accomplishments concerning the management of Economic, Environmental, Social, and Governance ("EESG") impacts within the Group's operations. Within this Report, the Group will share its efforts to deliver sustainable value to all stakeholders, as assessed through the bottom-line perspective of EESG topics. The Group remains committed to harmonising financial value creation with the pursuit of non-financial value creation and aspirations to enhance socio-economic progress, all of which collectively contribute to the advancement of our nation.

This Report highlights ENRA's unwavering commitment to fortifying the Group's sustainability performance, featuring notable sustainability milestones and achievements for the FYE 2024, as outlined herein. This Report should be read together with our Annual Report 2024 ("AR2024") to obtain a holistic understanding of our operations.

REPORTING FRAMEWORK AND DATA INTERGRITY

This Report has mainly been developed in accordance with the Global Reporting Initiative ("GRI") Standards. Additionally, the Group has adhered to several best practice sustainability guidelines, standards, and frameworks as follows:

- Bursa Malaysia's Sustainability Reporting Guide Third Edition;
- The United Nations Sustainable Development Goals; and
- ENRA Sustainability Policy and Framework.

The Report encompasses the following reporting principles:

- Stakeholder Engagement: incorporating the expectations and concerns of stakeholders;
- Sustainability Context: presenting the performance of the Group within the wider context of sustainability;
- Materiality: recognising and prioritising the key sustainability issues faced by the Group; and
- Completeness: reporting all sustainability topics that are relevant to the Group, and those that impact its stakeholders.

All information presented in this Report has been sourced internally, subject to verification and validation by the relevant business units. The Group is actively working on improving its data collection and analysis methods to enhance the accuracy and quality of data, as well as to strengthen its future disclosures.

STATEMENT OF USE

ENRA's Board, the Group's highest decision-making body, acknowledges responsibility for the following statement of use:

The information reported by the Group for the FYE 2024 has been prepared in reference to the GRI Standards.

REPORTING PERIOD, SCOPE AND BOUNDARIES

The reporting period of this Report is from 1 April 2023 to 31 March 2024, unless specified otherwise, and where applicable, comparative data from the preceding year(s) have been included to track year-on-year progress and provide additional context.

ENRA's Sustainability Report is scoped to the business operations and activities of the holding Company and all major subsidiaries within the Group, over which ENRA has direct managerial control, unless otherwise specified. This scope encompasses the operations of the Group's two largest divisions: property development and energy logistics. The Group exercises a "local-where-we-operate" practice. Boundaries are defined through the prioritisation of material aspects and topics, along with adherence to GRI's Reporting Principles, which guide the determination of report content and quality.

Sustainability Report (Cont'd)

ASSURANCE

ENRA acknowledges the significance of assurance in providing stakeholders with confidence in the Group's data and fostering continuous improvement. The Group has engaged in independent auditing and assurance processes for specific financial information presented in this Report, which of such figures can be cross-referenced with the Financial Report. Given that ENRA has recently embarked on its sustainability reporting journey, external assurance has not been pursued for non-financial data. The internal reporting processes of the Group are presently under development, and as the Group's reporting practices mature, there is an intention to explore the potential of external assurance for non-financial data in the future.

LIMITATION

While the Group acknowledges the existence of data collection challenges for certain indicators, the Group is actively pursuing an internal initiative to enhance data tracking and collection methods. This ongoing effort is dedicated to improving future reporting endeavours.

FORWARD-LOOKING STATEMENTS

This Report incorporates forward-looking statements encompassing targets, prospects, plans, and reasonable expectations related to expected performance. Such forward-looking information is established on existing data, information, and prevailing operational conditions. However, it is important to note that these predictions could evolve due to an array of external factors beyond ENRA's control.

Considering that ENRA's business is always subjected to risks and unforeseen circumstances beyond its control, readers are advised to not heavily rely on such statements as actual results may differ.

REPORT AVAILABILITY AND FEEDBACK

Readers can download this Report from ENRA's corporate website at <https://enra.my/investor-relations>. ENRA highly appreciates your feedback and suggestions on ways to enhance our sustainability journey. To share your insights, please feel free to email us at ir@enra.my.

Sustainability Report (Cont'd)

MESSAGE FROM GROUP CHIEF EXECUTIVE OFFICER

Dear Esteemed Stakeholders,

As we reflect on the past year, marked by challenges and opportunities alike, it is evident that our commitment to sustainability remains steadfast. The global landscape, characterised by uncertainty and change, reinforces the importance of integrating sustainability into every aspect of our operations. We recognise the profound impact of our actions on the environment, society, and governance, and it is with this awareness that we strive to be a positive force for change.

ENRA has embraced sustainability as a core principle, understanding that it is not merely an option but a necessity for long-term value creation. Our journey towards sustainability is fueled by a deep-seated belief in our responsibility to future generations and this planet we call home. Over the years, we have made significant strides in this direction, aligning our efforts with international standards and frameworks while remaining committed to our Shared Values – to be Ethical, Noble, Reliable and Accountable.

In the financial year ending 31 March 2024, we remained resolute in our pursuit of sustainability through diversifying across various business segments. We set ambitious goals and targets, guided by our unwavering commitment to environmental stewardship, social responsibility, and ethical governance.

Our progress in FYE 2024 is a testament to our dedication to sustainability. Our most significant achievement for the year was the sizable reduction in emissions and energy intensity for the year.

Looking ahead, we remain committed to advancing our sustainability agenda, guided by our Vision and Shared Values. We recognise that our journey towards sustainability is ongoing and evolving, requiring collaboration and collective action. Together with our stakeholders, we will continue to drive positive change and create a more sustainable future for all.

As we express our gratitude to our stakeholders for their unwavering support, we reaffirm our commitment to transparency, accountability, and responsible business practices. Our journey towards sustainability is a collective endeavour, and we are grateful for the trust and partnership of each and every one of you.

In closing, we reaffirm our commitment to sustainability and our shared vision of a better tomorrow. Together, let's build a future where sustainability is not just a goal but a way of life.

Thank you.

Warm regards,

Tan Sri Dato' Kamaluddin bin Abdullah
President & Group Chief Executive Officer



Sustainability Report (Cont'd)

OVERVIEW OF ENRA

ENRA was founded in 1992 and assumed its current name and business in 2015. It is currently headquartered in Kuala Lumpur, Malaysia. We have grown over the years into a diversified group of companies via our various subsidiaries and joint ventures which is split into the Energy Logistics, Property Development, and Maintenance, Repair and Overhaul (MRO) Services divisions.

OVERVIEW OF KEY BUSINESS DIVISIONS

- **ENERGY LOGISTICS DIVISION**

Our Energy Logistics division offers a range of services that includes designing, fabrication & construction, installation, leasing, removal & re-instatement, and refurbishment of single point mooring and floating storage systems. This division operates under the Hexagon branding, and currently owns and operates a FSO vessel – Ratu ENRA, and SPM catenary anchor leg mooring (“CALM”) buoy.

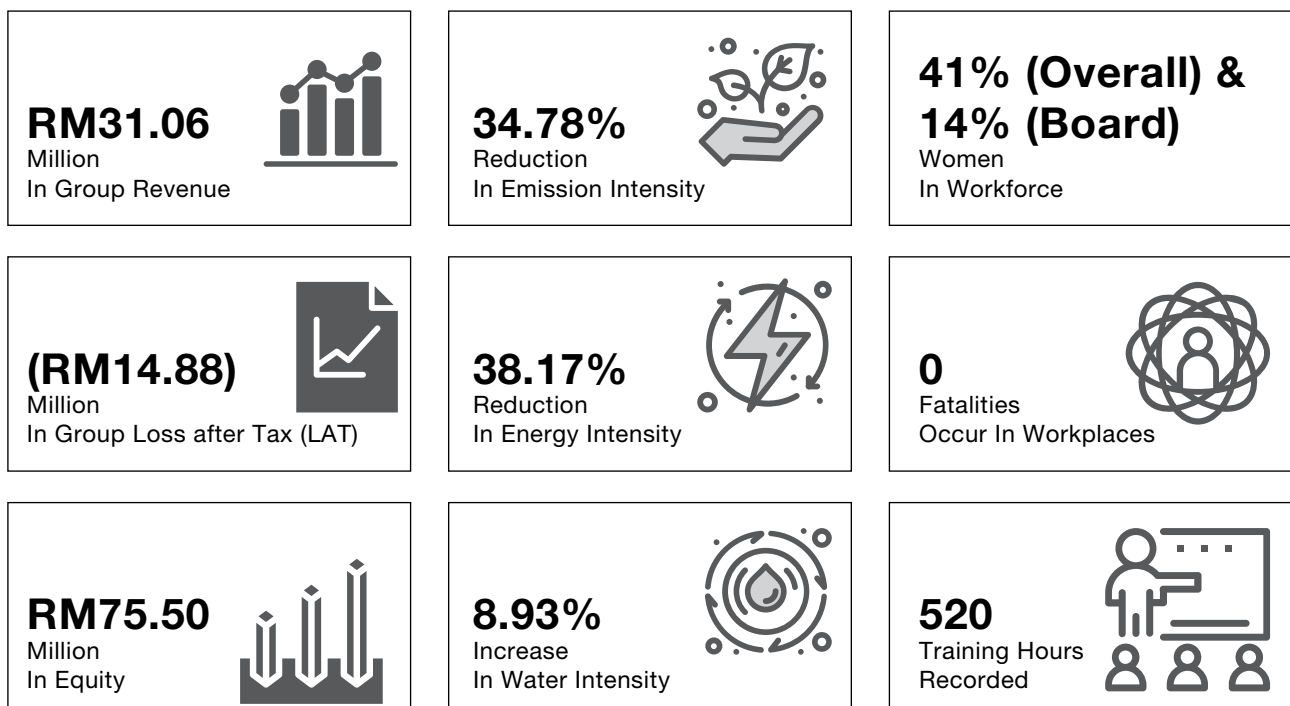
- **PROPERTY DEVELOPMENT DIVISION**

Our Property Development division comprises joint venture property development activities with projects in Malaysia and the United Kingdom. Under the Q Homes branding, it seeks to address the undersupply of quality affordable housing in Malaysia’s residential market. We had completed the delivery of vacant possession to buyers for its maiden project in Telok Panglima Garang and are now focusing on the progress of its second project in Taman Vista Impian, Dengkil. In addition, we have a boutique development arm that develops niche real estate projects in the UK. Our project in Rugby, UK has yet to begin development as we are continually assessing market conditions to determine the appropriate time and approach.

- **MAINTENANCE, REPAIR AND OVERHAUL SERVICES DIVISION**

Our MRO Services division seeks to position itself as a comprehensive specialist for diesel power generation and propulsion equipment across multiple brands and models. It actively and primarily engages with the oil & gas, marine, agriculture, industrial and other relevant and applicable industries.

HIGHLIGHTS & ACHIEVEMENTS



Sustainability Report (Cont'd)

SUSTAINABILITY AT ENRA

ENRA takes careful consideration of any potential or actual EESG impacts in its business and operational decisions, consistently striving to minimise adverse effects while improving outcomes. This year, the Group undertook a reassessment exercise to identify new material topics in line with the re-definition of the pillars of sustainability to EESG and the changes in the business environment as a result of the various rationalisations. Throughout the year, the Group's concentration has been directed towards effectively managing the identified material topics, which are detailed in this Report. By embedding the Group's EESG policies which were established in the previous financial year, as well as close engagement with all divisions, the Group is beginning to build the foundation of its sustainability approaches.

VISION AND VALUES

When ENRA was founded in 2015, the founders envisioned a timeless Vision and Shared Values. As the Group embarked on its Sustainability journey in 2018, it became evident that the fundamental principles of Sustainability were already embedded into its Vision and Shared Values.

The Group's Vision underscores its primary goal of achieving mutually beneficial business outcomes for stakeholders, while ensuring responsible resource utilisation. Pursuing the integration of both financial and non-financial value generation within ENRA's business model enhances the Group's inherent and universal relevance as a business entity capable of achieving enduring financial performance while upholding business sustainability.

The pillars of the Group's four Shared Values further delineate how ENRA is expected to conduct itself in pursuit of realising its Vision and advancing its commitment to sustainability.

SUSTAINABILITY POLICY

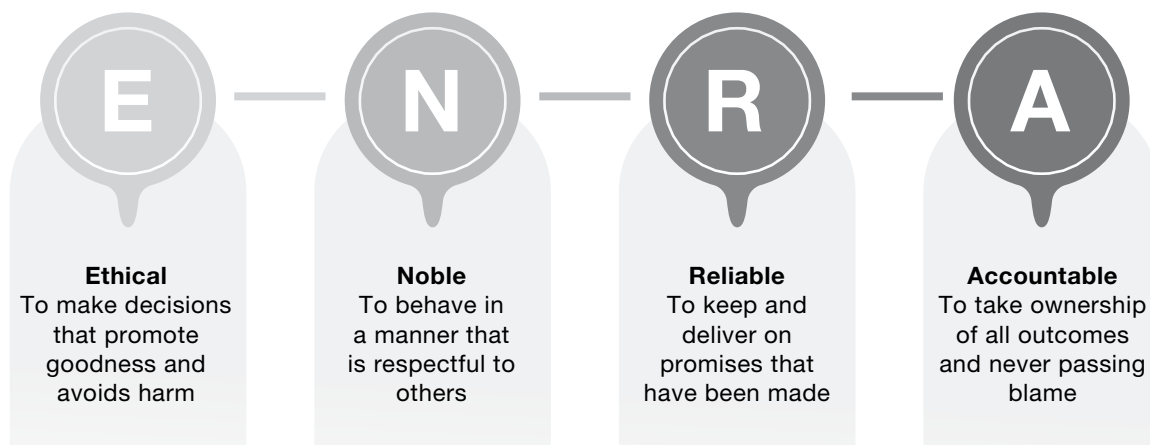
In FYE 2023, ENRA introduced the Group Sustainability Policy, underscoring the Board's and Management's commitment to positioning sustainability as a cornerstone of the Group's value creation strategy and aligning operations across its business divisions to this commitment. This policy provides a clear sustainability framework for the incorporation of EESG principles into key practices. The policy is available on ENRA's website at www.enra.my.

SUSTAINABILITY FRAMEWORK

ENRA's sustainability approach is driven by the Group's sustainability framework:

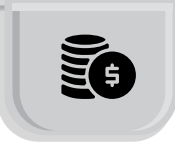



VISION

Through shared values **Ethical, Noble, Reliable** and **Accountable**, to innovation and technology, ENRA will enable its people to create sustainable enterprise value (market value of equity and debt less cash and cash equivalents) in a manner that is responsible to its stakeholders, community and environment.



Sustainability Report (Cont'd)

Sustainability Themes

 <p>ECONOMIC Cultivating Sustainable Business Growth</p>	 <p>ENVIRONMENT Fostering Environmental Stewardship</p>	 <p>SOCIAL Empowering our people</p>	 <p>GOVERNANCE Robust and ethical framework</p>
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Pledges

ECONOMIC	ENVIRONMENT	SOCIAL	GOVERNANCE
<p>To nurture and foster sustainable business growth through innovation, collaboration, and responsible practices</p>	<p>To foster resource efficiency and promote biodiversity conservation for the purpose of minimising environmental impact</p>	<p>To ensure the protection, inspiration, and investment in the growth of our people and communities</p>	<p>To adhere to the highest standards of governance, transparency, business ethics and integrity</p>

Focus

<p>ECONOMIC</p> <ul style="list-style-type: none"> • Economic Performance • Asset utilisation Innovation & Technology Operation Management & • Product and Services Responsibility 	<p>ENVIRONMENT</p> <ul style="list-style-type: none"> • Energy, and water management and Waste • Effluent • GHG Emission & Climate Change
<p>SOCIAL</p> <ul style="list-style-type: none"> • Employment Practices & Human Right • Occupational Health & Safety Talent Development 	<p>GOVERNANCE</p> <ul style="list-style-type: none"> • Legal Compliance • Corporate Governance & Ethics Risk Management • Information Security and Personal Data Protection

Sustainability Report (Cont'd)

MATERIAL TOPICS

• **ASSESSING AND PRIORITISING MATERIALITY**

The Group determines its material topics by considering the sustainability pillars (EESG), sustainability themes, pledged commitments, stakeholder perspectives, and business trajectory. The latest assessment of material topics was performed in FYE 2020, and since then, these identified topics have been consistently monitored up until the preceding financial year, FYE 2023. Shifts in ENRA's landscape prompted by events like the macroeconomic repercussions of the COVID-19 pandemic, the introduction of MRO Services as a new business segment, business divestment, and workforce rationalisation have necessitated a reevaluation of the Group's material topics. This is aimed at aligning more precisely with our stakeholders' current material concerns and further fortifying the sustainability of the Group's business operations.

This year, ENRA embarked on a reassessment exercise of its material topics to ensure the alignment of the Group's prioritisation with the prevailing business environment. Throughout the materiality assessment and prioritisation process, ENRA demonstrated diligence and inclusiveness by incorporating the feedback and perspectives of all valued stakeholders engaged in the Group's operations.

• **MATERIALITY ASSESSMENT AND PRIORITISATION METHODOLOGY**

The Group has set determined in its Sustainability Policy to undertake the materiality assessment and prioritisation exercise every four years to ensure that the material matters remain timely and relevant, while also allowing time to incorporate them into strategies.

In the early stages, materiality assessment and prioritisation surveys were developed based on Bursa Guidelines as well as specialised toolkits and peer examples. These surveys comprehensively encompassed materiality assessment and prioritisation topics, spanning Economic, Environmental, Social, and Governance material aspects. Subsequently, digital surveys were then established and distributed virtually, enabling a wider coverage of respondents.

The materiality assessment and prioritisation process comprise three key steps:

IDENTIFICATION

A list of relevant sustainability topics was identified by the Group, referencing the Bursa Malaysia's Sustainability Reporting Guide 3rd Edition, GRI Standards, and broader sustainability trends. This also encompassed peer comparative analysis, sector issues and media reviews.

The Group also identified key stakeholders to ensure that their interests and concerns are included when determining the shortlisted material topics.

STEP 01

PRIORITISATION

The Group prioritised material topics based on the results of the materiality assessment survey, which involved the participation of key business functions and management personnel within the Group.

For prioritisation, the Group considered the matters significance to ENRA and importance to its stakeholders, derived through interests and concerns gathered from the Group's prior communication and engagement with them. A materiality matrix was generated from the survey's results.

STEP 02

VALIDATION

The materiality matrix was reviewed and validated through discussion with key senior management.

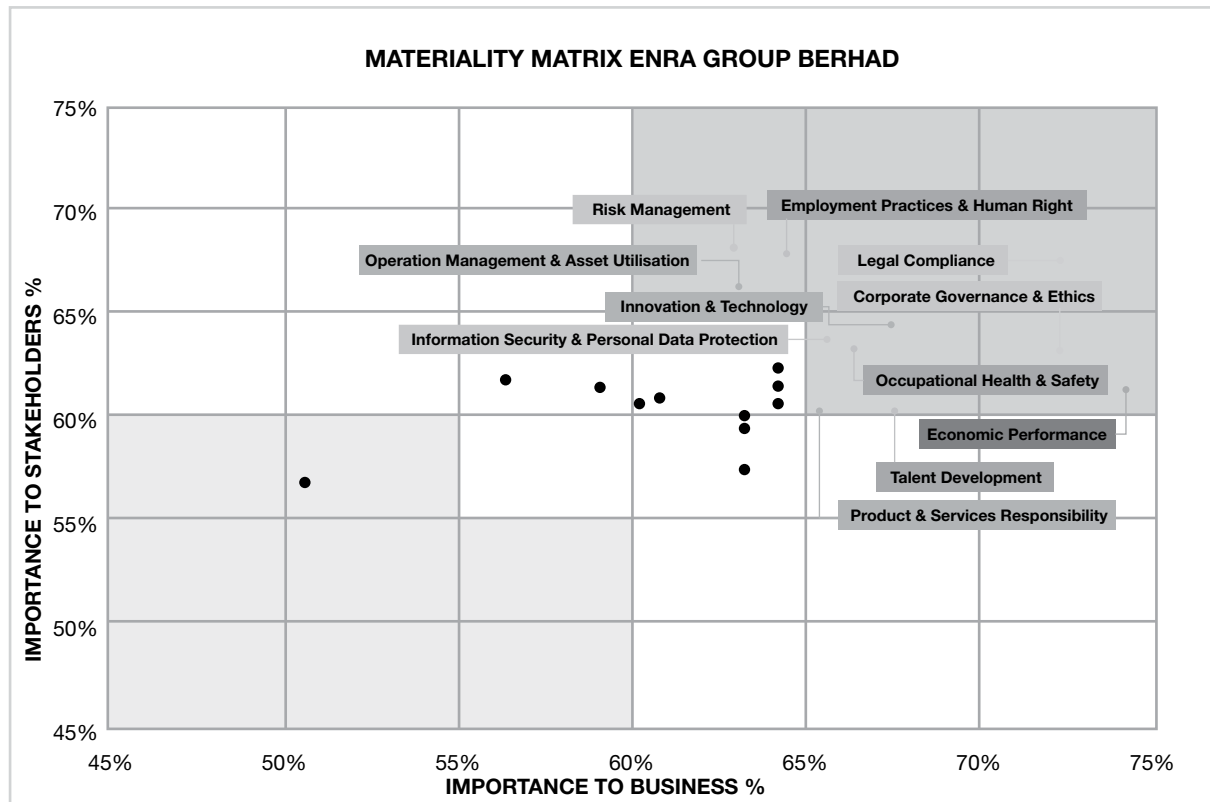
Subsequently, the refined matrix was presented and approved by the Board.

STEP 03

Sustainability Report (Cont'd)

• MATERIALITY MATRIX

During FYE 2024, the Group's reassessment exercise effectively led to the revision and update of its materiality matrix, providing a more accurate reflection of the latest prioritisation assessment of ENRA's material topics. Consequently, the exercise identified 23 material topics, out of which 11 were categorised as high priority, as presented in the materiality matrix below. More detailed information on these material topics can be found in the subsequent pages of this Report.



According to the materiality matrix above, none of the Environment-related topics fall under the high priority category. However, as the Group is currently aligning its sustainability disclosure to the Task Force on Climate-Related Disclosures ("TCFD") recommendations, particular emphasis will be placed on the following environmental topics. These topics are in addition to the 11 subjects selected as per the materiality matrix:

- Greenhouse Gas ("GHG") Emission & Climate Change;
- Energy Management;
- Water Management; and
- Waste and Effluent.

1. Legal Compliance	5. Innovation & Technology	9. Information Security and Personal Data Protection	13. Energy Management
2. Corporate Governance & Ethics	6. Occupational Health & Safety	10. Talent Development	14. Water Management
3. Economic Performance	7. Risk Management	11. Product and Services Responsibility	15. Waste and Effluent
4. Employment Practices & Human Right	8. Operation Management & Asset utilisation	12. GHG Emission & Climate Change	

Sustainability Report (Cont'd)

APPROACH ON PRIORITISED MATERIAL TOPICS

Following the conducted reassessment exercise, ENRA has identified its material EESG topics based on the extent of their impact on both financial and non-financial value creation.

The Group subsequently aims to address and mitigate these material topics through the implementation of management approaches, with a strong emphasis on rigorous monitoring to gauge their effectiveness. This includes scrutinising how each management approach addresses the correlation between the environmental and social impacts on the Group's financial performance, while also taking into account stakeholders' concerns and viewpoints.

STAKEHOLDERS ENGAGEMENT AND COMMUNICATION

ENRA defines its stakeholders as individuals, entities, or organisations who are affected by the Group's business model and operations, and conversely, those who possess the capacity to influence the Group's business model and operations.

Engaging and communicating with stakeholders holds significant importance in promoting sustainability within ENRA, as it serves to propagate sustainability awareness and understanding, both internally and externally. The Group recognises that continuous and ongoing engagement with its valued stakeholders remains essential in ensuring that its sustainability approach incorporates the perspectives of stakeholders concerning both financial and non-financial value creation.

The Group, through its Group Commercial Department ("GCD") and active participation of its management team, maintains regular two-way communication with its stakeholders to keep them updated with the latest development of the group.

The Group engages its stakeholders primarily through annual or extraordinary general meetings. Other forms of communication may include email correspondence, phone calls and letters. The Group routinely publishes its quarterly unaudited financial results and where appropriate, press releases to update its stakeholders on pertinent matters and developments.

In FYE 2024, ENRA conducted its 31st AGM on September 7, 2023. The notice convening the 31st AGM of ENRA, dated July 27, 2023, was issued more than 28 days prior to the AGM, in line with the corporate governance practice of providing at least 28 days' notice for AGMs.

This year, ENRA has improved its reporting in this section by sharing some of the key outcomes of its engagements.

Engagement Methods	Frequency	Concerns & Interests	Engagement Response
Customers			
<ul style="list-style-type: none"> Company website Email & phone calls Meetings Site visits Project launch Surveys 	<ul style="list-style-type: none"> Throughout the year Ongoing 	<ul style="list-style-type: none"> Customer experience Contractual term Social welfare Legal and regulatory compliance 	<ul style="list-style-type: none"> Timely response from management Organising customer engagement activities (booth) Adherence to law and regulations
Employees			
<ul style="list-style-type: none"> Engagement surveys Emails and memos Meetings & trainings Performance appraisal 	<ul style="list-style-type: none"> Throughout the year Ongoing 	<ul style="list-style-type: none"> Business strategy and direction Organisation growth Remuneration, welfare and benefits Reward and recognition Training and career development Work-life balance 	<ul style="list-style-type: none"> Regular updates on company strategy and performance Transparent performance appraisal process and rewards scheme Provision of training programmes Organising a variety of employee engagement activities

Sustainability Report (Cont'd)







Engagement Methods	Frequency	Concerns & Interests	Engagement Response
Shareholders/Investors			
<ul style="list-style-type: none"> Company website AGM Email & phone calls Meetings and site visits Annual reports Bursa Malaysia announcements 	<ul style="list-style-type: none"> Throughout the year Ongoing Annually Quarterly 	<ul style="list-style-type: none"> Business strategy and direction Economic performance Organisation growth Sustainable financial returns 	<ul style="list-style-type: none"> Timely updates on company strategy and performance through quarterly announcements on Bursa Malaysia Allow direct access to the Board members and Executive Leaders at AGMs. Provide prompt responses to investors and analysts queries.
Business Partners			
<ul style="list-style-type: none"> Meetings Day-to-day interactions Site visits 	<ul style="list-style-type: none"> Throughout the year Ongoing 	<ul style="list-style-type: none"> Business strategy and direction Occupational health and safety Effective leadership Responsible business Job and business opportunities 	<ul style="list-style-type: none"> Timely updates on company strategy and performance via e-mails, meetings, quarterly announcements etc. Closely monitoring to build upon partnership benefits Engagement activities as part of the business agreement or collaborations
Bankers			
<ul style="list-style-type: none"> Company website Email & phone calls Meetings and site visits Annual reports Bursa Malaysia announcements 	<ul style="list-style-type: none"> Throughout the year Ongoing Annually Quarterly 	<ul style="list-style-type: none"> Business strategy and direction Economic performance Organisation growth Sustainable value creation Market and industry insights 	<ul style="list-style-type: none"> Transparent disclosure of operational and financial updates, as well as corporate governance and risk framework
Suppliers and Contractors			
<ul style="list-style-type: none"> Meetings Email & phone calls Performance evaluations 	<ul style="list-style-type: none"> Throughout the year Ongoing 	<ul style="list-style-type: none"> Business strategy and direction Effective leadership Transparency Responsible business Good governance Occupational health and safety 	<ul style="list-style-type: none"> Regular engagement with suppliers/contractors Tendering process for all procurement promotes fairness and transparency Mandate all supplier/contractors comply with Vendor Code of Conduct
<ul style="list-style-type: none"> Meetings Emails Seminars & events Reporting 	<ul style="list-style-type: none"> Throughout the year Ongoing 	<ul style="list-style-type: none"> Compliance Corporate Governance Health, Safety, and Environmental (“HSE”) management Transparency 	<ul style="list-style-type: none"> Adherence to all relevant requirements and governance practices Participate in industry and national level forums Transparent reporting and communications through annual reports and announcements
Communities			
<ul style="list-style-type: none"> Community engagement programmes 	<ul style="list-style-type: none"> Throughout the year Ongoing 	<ul style="list-style-type: none"> Community development Charitable contributions Ethical business practices Environmental management and protection Job and business opportunities 	<ul style="list-style-type: none"> Organise community engagement programmes Adherence to laws and regulations, including compliance to strict HSE practices

Sustainability Report (Cont'd)






ALIGNMENT WITH THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (“UN SDGs”)

The UN SDGs are a blueprint for a better shared future. ENRA has strategically decided to focus its corporate efforts towards aligning to eight key UN SDGs after taking careful consideration on how it can drive positive change.

The table below shows how the Group linked its sustainability efforts in FYE 2024 to its adopted UN SDGs, and how it has subsequently influenced the type of future sustainability targets and plans that ENRA has set:

Material Topics	Focus Areas	Link To UNSDG
Economic		
<ul style="list-style-type: none"> Economic Performance Innovation & Technology Operation Management & Asset Utilisation Product and Services Responsibility 	<ul style="list-style-type: none"> Economic Value Generated and Distributed Maintaining Strong Quality Management in Energy Services Enhancing Product Quality Management in Property Development Strengthening Product Quality Management for MRO Services Monitoring For Sustainable Business Ensuring Business Continuity Overview and Outlook of the Malaysian Economy Overview and outlook of the United Kingdom Economy Overview and Outlook of the Group Operational Division Energy Logistic Services MRO services Property Development 	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> </div> <div style="text-align: center;">  <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> </div> </div> <div style="text-align: center; margin-top: 20px;">  <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> </div>
Environment		
<ul style="list-style-type: none"> GHG Emission & Climate Change Energy Management Water Management Waste and Effluent 	<ul style="list-style-type: none"> Climate Change Roadmap Scope 1,2 and 3 Emission Emission Intensity Energy Consumption & Intensity Water Consumption & Intensity Recyclable & Non-recyclable Waste Generation 	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>3 GOOD HEALTH AND WELL-BEING</p> </div> <div style="text-align: center;">  <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> </div> </div> <div style="text-align: center; margin-top: 20px;">  <p>13 CLIMATE ACTION</p> </div>

Sustainability Report (Cont'd)

Material Topics	Focus Areas	Link To UNSDG
Social		
<ul style="list-style-type: none"> • Employment Practices & Human Right • Occupational Health & Safety • Talent Development 	<ul style="list-style-type: none"> • Human Right Principles • Grievance Mechanism • Equality and Diversity • Remuneration and Benefits • HSE Programmes and Training • HSE Performance • Employee Training • Employee Performance Appraisal • Internship Programme • Knowledge Sharing Session • Engagement Activities 	   
Governance		
<ul style="list-style-type: none"> • Legal Compliance • Corporate Governance & Ethics • Risk Management • Information Security and Personal Data Protection 	<ul style="list-style-type: none"> • Board Commitment to Sustainability • Sustainability Governance Structure • Sustainability Working Group • Board Diversity • Anti-Corruption • Gap Analysis on Anti-Corruption Risk and Control • Gifts, Entertainment & Hospitality • Code of Business Conduct • Whistleblowing Mechanism • Comprehensive Corporate Governance Policies • Financial and Project Governance • Risk Management • Compliance Programmes • Data Privacy and Security 	

Sustainability Report (Cont'd)

SUSTAINABILITY TARGET

Based on its sustainability framework and material topics, ENRA has set its key sustainability performance targets in FYE 2023 to drive further achievement in the Group's sustainability agenda. This year, these targets have been adjusted in response to the identification of a new set of material topics resulting from the reassessment exercise.

Material Topics	Targets Set	Indicator for Measurement	Achievements
Environment			
<ul style="list-style-type: none"> GHG Emission & Climate Change Energy Management Water Management 	<ul style="list-style-type: none"> Reduce GHG emission by 50% by 2030 compared to FYE 2020's emission baseline Reduce energy consumption by 50% by 2030 compared to FYE 2020's baseline Reduce water consumption by 50% by 2030 compared to FYE 2020's baseline 	<ul style="list-style-type: none"> Total volume of GHG emitted Total energy consumption Total volume of water consumption 	<ul style="list-style-type: none"> Reduction of 36% from FYE 2023 GHG emission Reduction of 37% from FYE 2023 energy consumption Increase of 11% from FYE 2023 water consumption
Social			
<ul style="list-style-type: none"> Employment Practices & Human Rights Occupational Safety & Health ("OSH") Talent Development 	<ul style="list-style-type: none"> Zero case human rights and labour standards violations Zero case of Code of Business Conduct violations Zero case of non-compliance to OSH regulatory requirements Zero case of fatalities To meet training KPI set by HOD for each employee To meet utilisation requirement of HRD Corp fund based on its terms and regulation. 	<ul style="list-style-type: none"> Number of reported human right violations Number of reported Code of Business Conduct breaches Number of HSE non-compliance cases Number of fatalities Average training hours per employee Total training cost incurred 	<ul style="list-style-type: none"> Zero non-compliance to labour law cases Zero non-compliance to Code of Business conduct cases. No fines by authorities for non compliance with OSH regulations Zero fatality cases Average of 11 training hours per employee Out of total Contribution of RM 82,898 to HRD Corp, 61% of the fund has been utilised for training purposes.
Governance			
<ul style="list-style-type: none"> Corporate Governance & Ethics Legal Compliance Information Security and Personal Data Protection 	<ul style="list-style-type: none"> Zero corruption case Anti-corruption awareness training to Board and employees Full compliance with relevant rules and regulations Minimise percentage of cybersecurity threats and attacks 	<ul style="list-style-type: none"> Number of corruption cases reported Anti-Corruption awareness training sessions held Number of non-compliance cases Number of reports on cybersecurity threat and detection 	<ul style="list-style-type: none"> Zero corruption cases. 100% of Board members, senior management and employees have received awareness training on anti-corruption Zero non-compliance cases Zero cybersecurity threats and attacks reported

Sustainability Report (Cont'd)

ROBUST AND ETHICAL FRAMEWORK

CORPORATE GOVERNANCE & ETHICS

- **BOARD COMMITMENT TO SUSTAINABILITY**

ENRA is firmly committed to conducting its businesses with the highest level of integrity and in full compliance with applicable laws, rules and regulations. The Board acknowledges that the well-being of the employees, customers, suppliers and other stakeholders as well as the environment and the society at large is central to sustaining ENRA's long-term performance and continued relevance.

The heightened materiality of sustainability to the business demands for the Board and Management to intensify efforts in making sustainability central to ENRA's strategy and priorities, as well as creating the structure that enables, formal oversight to sustainability by the Board. Being the highest authority in sustainability governance, the Board takes full responsibility in institutionalising the Company's sustainability agenda, road map and initiatives. The Board assigned the responsibility of overseeing the Group's EESG matters to the Audit, Risk Management, and Sustainability Committee (ARMSC). The updates on sustainability matters form a permanent part of the meeting agenda in the ARMSC's quarterly meetings.

As of FYE 2024, the Board continues to have oversight on important sustainability-related governance policies such as the Anti-Corruption Policy, Code of Business Conduct, Vendor Code of Conduct, Directors Code of Ethics and the Whistleblowing Policy. The Board engages in thorough deliberations concerning the formulation or updates to current and new policies before granting approval.

- **SUSTAINABILITY GOVERNANCE STRUCTURE**

The Group's sustainability structure primarily drives sustainability across ENRA and is integrated into the Group's overall corporate governance structure. ENRA's corporate governance and sustainability governance are guided by the primary Group-wide policy that priorities integrity in all endeavours.

ENRA's corporate governance and sustainability governance structures oversee a diverse array of material sustainability subjects, encompassing ethics, governance, and compliance, health and safety, cyber security, labour matters, energy, resources, waste management, anti-corruption, and many others.

In FYE 2023, in accordance with the latest revision of the Malaysian Code of Corporate Governance (MCCG), the Group, with approval from the Board, renamed the Audit Risk and Management Committee (ARMC) to ARMSC. This change was made to enhance Board oversight and further champion the EESG agenda while integrating sustainability considerations into the Group's strategy and operations. The structure is enhanced further with the establishment of Sustainability Working Group ("SWG") to coordinate and supervise the implementation of the Group's sustainability strategies and practices. The clear delineation of roles and responsibilities enables us to uphold the highest level of integrity and efficiency for its sustainability agenda and implementation.

Sustainability Report (Cont'd)

BOD

Board of Directors

Accountable for reviewing, adopting and monitoring the implementation of our overall sustainability strategies, by taking into account the economic, environmental and social impacts ("sustainability matters") arising from business operations and strategic decisions.

ARMSC

Audit, Risk Management and Sustainability Committee

Oversees the delegation of duties of the Board in relation to implementation of the overall strategic plan, with a focus on managing sustainability matters and ensuring that principal risks are identified with adequate mitigating action plans in place.

EXCO

Executive Committee ("EXCO")

Reviews and approves sustainability best practices in relation to managing sustainability matters, risks identified and adequate mitigating action plans.

SWG

Sustainability Working Group

Supported by HODs and HBUs, the SWG is responsible for formulating sustainability strategies, coordinating and supervising the implementation of the Group's sustainability objectives as well as to lead the Group's sustainability reporting process to ensure compliance with regulatory requirements.

HOD/ HBU

Head of Departments ("HODs") and Heads of Business Units ("HBUs")

Oversees and implements the Group's sustainability best practices, strategies and objectives.

PROCESS OWNERS / BUSINESS UNITS

Process Owners in Departments/Business Units

Collects sustainability-related data on sustainability matters and reports on such data to HODs and HBUs to assist the Group's sustainability reporting process to ensure compliance with regulatory requirements.

Sustainability Report (Cont'd)

• SUSTAINABILITY WORKING GROUP

The SWG is headed by the Head of Compliance and Governance who is supported by the Chief Executive Officers (“CEOs”) of various subsidiaries and HOD from both the Group and subsidiary levels. The SWG oversees and implements the Group’s sustainability best practices, programmes, strategies and objectives to continuously improve the Group’s reputation as an environmentally and socially responsible corporation operating in under good governance structures and instruments. The process owners in the departments and subsidiaries are responsible for the execution of the Group’s sustainability best practices, programmes, strategies and objectives and collect sustainability-related data for the SWG to assist the Group’s sustainability reporting process to ensure compliance with regulatory requirements.

Reviews information that will be reported to the EXCO.

Monitors performance indicators against targets.

Coordinates cross-departmental enhancements and initiatives.

Conducts materiality review to determine ENRA’s sustainability focus areas and to formulate the sustainability strategy.

Reviews data related to each material matter that will be publicly reported.

Implements initiatives that are required to support each material matter.

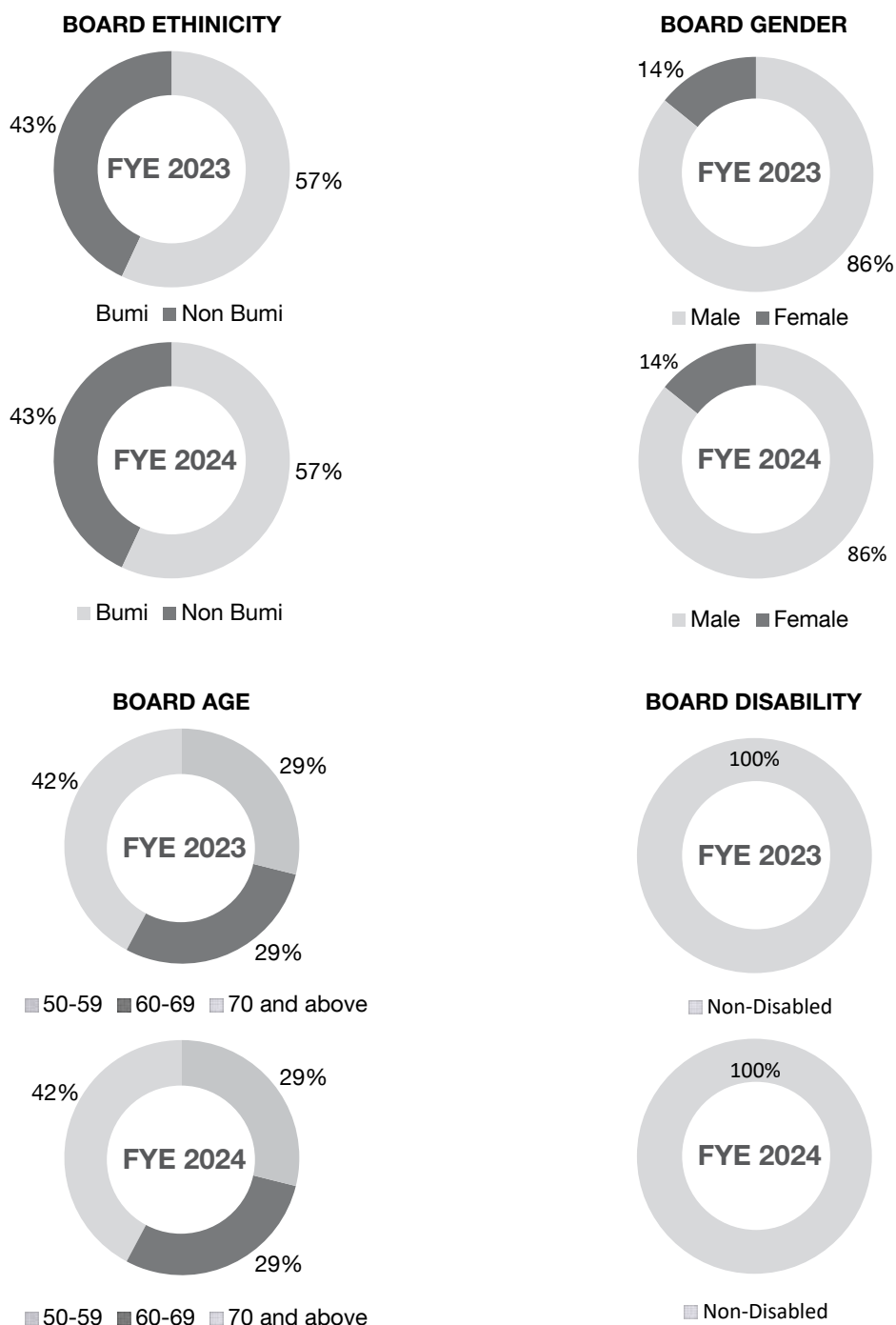
Roles of the SWG

• BOARD DIVERSITY

ENRA embraces the principles of diversity, inclusion and equality. This value has been formalised in a Diversity Policy approved by the Board in April 2018 which applies to the Board and the organisation at large. The Board recognises that the promotion of a diverse Board and workforce makes prudent business sense and allows for better corporate governance. The Group further enhances its governance by putting in to place the Directors’ Fit & Proper Policy which sets out the criteria for the appointment and re-appointment of the Directors. Both Diversity and Fit & Proper Policies are available on ENRA’s website at www.enra.my.

Sustainability Report (Cont'd)

As at 31 March 2024, there is one woman director on the Board of the Company, constituting 14% of the Board's composition. Appointment of Directors to the Board and employment within the Group is based on merit against objective criteria without discriminating on grounds of gender, race, age, religion, ethnicity or cultural background. ENRA's Board composition is shown below:



The Board's strength emanates from the diverse composition of its members, who possess a broad spectrum of expertise, extensive specialised experience in various facets of ENRA's businesses, and diverse backgrounds. Directors collectively bring not only industry knowledge but also a wealth of experience and expertise spanning finance, engineering, strategic planning, economics, and project management. Notably, there is no single Director or group of Directors that dominates the decision-making process of the Board. The Non-Executive Directors play a significant role in areas such as policy formulation, strategic planning, performance oversight, resource allocation, as well as enhancing governance and controls. Independent Non-Executive Directors contribute by offering objective and impartial judgment in the Board's decision-making process, providing checks and balances.

Sustainability Report (Cont'd)

• ANTI-CORRUPTION

ENRA upholds a stringent zero-tolerance stance against corruption within the organisation, its business divisions, and across the supply chain. This commitment aligns seamlessly with Bursa Malaysia's Main Market Listing Requirements, which mandate that publicly listed companies refrain from any actions that contravene Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018.

Anti-corruption measures hold significant importance for the Group, as any confirmed incident of bribery or corruption could have detrimental consequences for the Group's reputation and may even lead to criminal prosecution. Weaknesses in the Group's anti-corruption governance could hinder efforts to prevent or monitor existing corruption cases, potentially giving rise to further instances of corruption.

The Board sets the standard for the Group's unwavering zero-tolerance stance against all forms of bribery, corruption, and unethical behaviour within the organisation. Collaborating closely with the ARMSC and the Group Compliance and Governance Department ("GCGD"), the Board provides oversight, guidance, and leadership at the highest level of decision-making in the development and implementation of anti-bribery and anti-corruption policies and practices. Prior to FYE 2022, the Legal Department served as the primary organisational driver for anti-corruption initiatives within the Group. However, this role has now been assumed by the GCGD.

In FYE 2021, the Board approved the ENRA Anti-Corruption Policy, which was subsequently rolled out across the Group, taking effect from 1 June 2020. This measure was undertaken to reinforce the Group's commitment to combating corruption within its own operations and throughout the supply chain. The Anti-Corruption Policy explicitly stipulates that organisations are liable if found involved in corruption, bribery, or related misconduct. This liability extends to individuals and entities within the Group, encompassing directors, managers, employees, workers, and third-party partners. Individuals or groups discovered to have breached the Anti-Corruption Policy or engaged in any of the stipulated acts of bribery and corruption will be subjected to stringent disciplinary actions. These actions may involve suspension from employment or permanent termination of employment. Legal proceedings may also be pursued, if deemed appropriate.

Anti-corruption data is verified by the GCGD. There were zero confirmed incidences/cases of corruption or Anti-Corruption Policy violations at ENRA in FYE 2024.

The Anti-Corruption Policy may undergo revisions as necessary to align with any legislative changes or updates in ENRA's governance. The full Anti-Corruption Policy can be read on the Group's website at www.enra.my.

• GAP ANALYSIS ON ANTI-CORRUPTION RISK AND CONTROL

In FYE 2020, the GCGD conducted a gap analysis exercise on anti-corruption controls to identify areas requiring improvement. Closing these gaps involved several initiatives, including the formulation and dissemination of the Anti-Corruption Policy in FYE 2021 across the entire Group and its personnel. Procedures for addressing anti-corruption risks have subsequently undergone enhancements throughout the Group. The GCGD conducts assessments of potential corruption risks through the Quarterly Enterprise Risk Management Process and the semi-annual Code of Business Conduct Questionnaire declaration.

The Group intends to conduct regular gap assessments in the future, led by the GCGD, to ensure a thorough evaluation of potential integrity vulnerabilities and corruption risks within ENRA. This proactive approach extends to the Group's value chain as well.

• GIFTS, ENTERTAINMENT & HOSPITALITY

The Group has taken additional steps to enhance its anti-corruption measures by implementing the Gifts and Hospitality Reporting Guidelines on 30 April 2021. These guidelines offer transparent guidance to all employees members on what constitutes acceptable behaviour concerning the giving and receiving of gifts and hospitality. This guideline is to be read together with the Anti-Corruption Policy & Procedure and applies to each Director, employee, and person associated with the Group.

Persons associated with the Group are prohibited from soliciting, receiving, offering, promising or providing gifts, hospitality or entertainment, directly or indirectly, as this may give rise to a conflict of interest position. However, limited exceptions can be made in specific circumstances. Full details of ENRA's policy on the provision and / or receipt of gifts / entertainment and hospitality and any related procedures can be found in the Group's Anti-Corruption Policy and Gifts and Hospitality which are available on the Group's website at www.enra.my.

Sustainability Report (Cont'd)

• **CODE OF BUSINESS CONDUCT**

ENRA has established several crucial policies to foster exemplary business conduct, ethical behaviours, and a robust organisational culture within the Group. These policies encompass the Code of Business Conduct, Vendor Code of Conduct, and Directors Code of Ethics. Collectively, these policies delineate the standards for acceptable and unacceptable workplace behaviour, explicitly addressing unethical actions. It's essential to emphasize that these policies are obligatory for all individuals associated with ENRA across the Group, encompassing directors, management, vendors, suppliers, and relevant business partners. These policies comprehensively cover a wide array of relevant topics to the Group, including:

- I. Compliance with applicable laws and regulations (including those related to anti-money laundering, personal data protection and anti-corruption);
- II. Handling of the Group's proprietary information and price-sensitive information;
- III. Preparation and maintenance of business records and controls;
- IV. Conflicts of interest;
- V. Workplace environment; and
- VI. Harassment and bullying.

On a semi-annual basis, both employees and the EXCO confirm their compliance through the Code of Business Conduct Questionnaire, disclosing any irregularities or breaches of the Code of Business Conduct. The feedback obtained from the Code of Business Conduct Questionnaire is reviewed by the EXCO and subsequently deliberated upon by the ARMSC. It is noteworthy that there have been no reported irregularities or breaches during this financial year.

For vendors, acknowledging and adhering to the Vendor Code of Conduct is a fundamental requirement. This acknowledgement is a prerequisite embedded in all supply contracts within the Group. By accepting a purchase order, receiving a letter of award, entering into a contract or agreement, or fulfilling any obligations as mutually agreed with the Group, vendors are both legally bound and deemed to have committed themselves to strict compliance with the Vendor Code of Conduct.

• **WHISTLEBLOWING MECHANISM**

ENRA's Whistleblowing Policy, established in FYE 2019, serves as the guiding document for the Group's whistleblowing protocols, best practices, and guidelines. It is adapted to align with the Whistleblower Protection Act 2010, Companies Act 2016, and Capital Market and Services Act 2007. This policy outlines the reporting channels and provides guidance for disclosing any Improper Conduct, applicable to both employees of the Group and, where relevant, members of the public.

Employees, regardless of their employment status (whether full-time, part-time, or temporary) or members of the public, are strongly encouraged to report any instance of Improper Conduct within the Company or Group that they have become aware of or genuinely suspect based on their reasonable belief that any person has engaged, is currently engaging in, or is preparing to engage in such conduct. The Improper Conduct encompasses a wide range of actions, including but not limited to fraud, misconduct, breaches of policy or law, insider trading, abuse of power, bribery and corruption, non-compliance, as well as any other unethical workplace behaviours. This also covers suspected violations of the Code of Business Conduct across ENRA's divisions.

Reports of Improper Conduct may be submitted either verbally or in written form, using channels such as a letter or electronic mail. These reports should, at a minimum, provide detailed information about the allegation, including the names of potentially involved individuals or witnesses, the dates and locations of the incidents in question, and any other relevant details. It is worth noting that whistleblowers can report instances of Improper Conduct even if they are unable to identify a specific individual related to the disclosure. Whistleblowers have the option to remain anonymous. However, it is encouraged that whistleblowers disclose their identity when making a report under this policy, especially if further investigation is necessary.

For reports submitted via letter, they can be delivered either by hand or by post to the following address:
ENRA Group Berhad
D3-U6-15, Block D3, Solaris Dutamas
No.1, Jalan Dutamas 1
50480 Kuala Lumpur, Malaysia

Reports made through electronic mail can be sent to whistleblower@enra.my. The Group reserves the right to amend the Whistleblowing Policy periodically or when required. Full details of ENRA's Whistleblowing Policy and related procedures can be accessed on ENRA's website at www.enra.my. No whistleblowing case was reported in FYE 2024.

Sustainability Report (Cont'd)

• COMPREHENSIVE CORPORATE GOVERNANCE POLICIES

The Group has a comprehensive set of corporate governance policies in place that provide guidance for achieving a high standard of EESG compliance across its business divisions. Most of ENRA's policies are primarily intended for Group-wide implementation as seen in the below table, which can be accessed at the following link: <https://www.enra.com.my/investor-relations/> under Corporate Governance section of ENRA's website.

Board Charter	Audit, Risk Management and Sustainability Committee	Board Nomination and Remuneration Committee	Employee Share Scheme Committee
Constitution	Anti-Corruption Policy	Whistleblowing Policy	Vendor Code of Conduct
Directors' Code of Ethics	Code of Business Conduct	Gifts and Hospitality Reporting Guidelines	Sustainability (ESG) Policy
Diversity Policy	Directors' Fit & Proper Policy	Remuneration Policy for Directors & Senior Management	Investor Relation/ Stakeholder Communications Policy
Corporate Governance Report	Corporate Governance Overview Statement	Statement On Risk Management and Internal Control	

• FINANCIAL AND PROJECT GOVERNANCE

ENRA's Group Finance Department ("GFD") upholds a clear vision and mission. It operates under an efficiently designed organisational structure led by a dedicated management team with relevant business and technical expertise. The department adheres to established finance policies, standards, and procedures, which are regularly updated to enhance operational efficiency. Furthermore, ENRA has implemented the Limit of Authority Policy, which centralises transactional approvals at the Executive Director and Chief Financial Officer levels. Rigorous scrutiny and assurance of financial control and reporting occur through internal and external audits.

Meetings with the EXCO serve as the primary monitoring process for all Group departments and subsidiaries. The Group holds Bi-weekly Group Management Committee ("GMC") Meetings, providing comprehensive information to Management for effective monitoring. Additionally, Monthly Performance Review ("MPR") meetings assess performance against strategic plans, encompassing key financial, operational, oil & gas, and property venture indicators.

ENRA enforces detailed budgeting processes, necessitating periodic budget reviews by all business units. These budgets undergo discussion and approval by the President & CEO and subsequently the Board. The Group Chief Financial Officer delivers quarterly financial information to the Board, ensuring the exposure of significant variances.

Sustainability Report (Cont'd)

RISK MANAGEMENT

ENRA has sound risk management framework and systems of internal control to safeguard shareholders' investment and the Group's assets, including EESG risks. The Board ensures the adequacy, effectiveness and integrity of the internal control systems through regular reviews, accompanied by ongoing risk management process. Risk management deliberations, including EESG risks, involving the Board are done every quarter of the year.

Readers can view how ENRA implements the its risk management framework and systems of internal control in the Statement of Risk Management and Internal Control ("SORMIC") of ENRA's AR2024, from pages 83 to 88.

LEGAL COMPLIANCE

ENRA remains committed to strict compliance with its established policies, protocols, industry standards, and applicable laws. This commitment to regulatory compliance is upheld through a combination of internal audits and external audits conducted within specific business divisions.

Hence, in FYE 2024, the Group remained free from any regulatory censures or fines resulting from non-compliance with environmental, social, or economic laws, regulations, or standards. Additionally, there were no regulatory actions taken against the Group in the areas of corporate integrity, anti-corruption, or corporate governance.

• **COMPLIANCE PROGRAMMEES**

In FYE 2024, the Internal Audit team completed a holistic Corporate Governance Review of ENRA with reference to the Malaysian Code of Corporate Governance 2021. EESG updates and reporting in line with the Main Market Listing Requirements as a guideline, a routine audit of the oil & gas division and the property division and a follow-up audit, and assessment on the Code of Business Conduct in accordance with the ARMSC's approved annual review schedule. The area of coverage is aligned with the Group's Risk Management assessment covering Finance, Human Resource, Operations, Procurement, Inventory, General IT, Sales, Marketing, Fraud Assessment and Project Management. The scope of this review encompassed various areas aligned with the Group's Risk Management assessment, including Finance, Human Resources, Operations, Procurement, Inventory, General IT, Sales, Marketing, Fraud Assessment, and Project Management.

The Group also proactively enhances its employees' knowledge and awareness through a series of training sessions and the regular dissemination of digital legal alerts Quality, Health, Safety, and Environmental ("QHSE") Share Points, GHCA internal memos, as well as Group Commercial's training and Procurement's compliance checks. These initiatives are conducted in addition to the GCGD's annual programmes.

Annual compliance reviews are conducted on all key departments and subsidiaries to assess the practices and performance of their respective functions, ensuring alignment with existing Group policies and procedures. These reviews help identify areas for improvement. The compliance activities that have taken place include:

I. QHSE Compliance Activities

Building upon the previous years, the central focus of the QHSE function was on Ratu ENRA, the chemical tanker currently operating under the Malaysian flag and owned by the Group's oil & gas subsidiary, first ENRA SPM Sdn. Bhd. ("ESPM") and now, Hexagon Marine Logistics Labuan Ltd. ("HMLLL") in FYE 2024. In addition to the various Group-level compliance instruments, specific instruments tailored for the operations of Ratu ENRA were also implemented, including:

a. ENRA Permit-to-Work ("PTW") System

A PTW system is a formal, documented system essential for controlling specific types of work. It plays an integral role in establishing a safe working environment and is especially vital for efficiently managing a wide array of activities that often occur in close proximity within confined spaces.

Ratu ENRA has developed a customised PTW system tailored to its operational and maintenance needs. This system is mandatory for all tasks and activities conducted on Ratu ENRA. To ensure comprehensive understanding and adherence to the PTW system, all crew members are required to undergo PTW training and successfully pass the PTW assessment before commencing any work.

Sustainability Report (Cont'd)

The safe system of work permits serves as a highly effective means of conveying critical safety information. This structured process minimises the potential for human error, guarantees that unexpected hazards are identified and mitigated, and facilitates the coordination of risk management throughout the entire worksite.



b. ISO 9001:2015 Quality Management System

In previous financial year, FYE 2023, ESPM had undergone a surveillance audit by its certification body, TUV Nord on 11 January 2023 which covered the following scope:

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

The audit team conducted a process-based audit, focusing on significant aspects, risks and objectives require by the standard. Upon completion of the certification audit, ESPM was granted the continuation of its certification with zero non-compliance. The certification was accredited by the UK Accreditation Body (UKAS) and the Department of Standard (DSM) Malaysia. The next audit is expected to be conducted by TUV Nord around May or June of this year.

II. IT Infrastructure Governance and Control (“ITGC”) Audit

During the financial year, the Group had engaged BDO to conduct an ITGC audit, focusing specifically on the accounting and financial systems used by ENRA. The primary objectives were to identify potential business risks and assess the effectiveness of system checks and balances. The resulting audit report was presented to the ARMSC and subsequently endorsed by the Board.

The audit findings led to a series of recommendations aimed at aligning our IT systems and infrastructure with industry standards and best practices. While some of these recommendations have already been embraced and implemented, others remain under consideration by our Group Information Technology (GIT) team.

Sustainability Report (Cont'd)

III. Regulatory Certification for Property Development Products

The Group's property development subsidiary, Q Homes Sdn. Bhd. ("Q Homes"), incorporates industrial building systems ("IBS") into its development project in Dengkil, Selangor. The utilisation of these systems entails strict adherence to specific building codes, safety regulations, and environmental standards. Ensuring that the IBS products align with these regulations and standards is paramount to guaranteeing the safety of workers, the public, and environmental preservation. For instance, the illustration below presents two distinct certificates issued by Bomba. These certificates confirm the fire ratings of the products employed in the Dengkil property development project of the Group.



INFORMATION SECURITY AND PERSONAL DATA PROTECTION

• DATA PRIVACY AND SECURITY

ENRA collects a significant amount of stakeholder data for business purposes, and thus it remains crucial to secure this data and ensure its confidentiality. The Group continues to ensure the confidentiality of its stakeholders' personal information, in line with the Personal Data Protection Act (PDPA 2010). The Group has sustained its efforts to safeguard company assets by maintaining a proactive stance against cybersecurity threats, implementing fail-safe mechanisms, monitoring tools and fast responses. Additionally, ENRA has heightened awareness among its employees by fostering a culture of knowledge sharing regarding cybersecurity and data privacy best practices in their day-to-day tasks.

ENRA distributes Privacy and Personal Data Protection Consent Forms to relevant individuals and organisations for acknowledgement of its data privacy management. In FYE 2024, ENRA did not receive any substantiated complaints regarding breaches of stakeholder privacy or instances of data loss. Likewise, there were no reported data breaches or noncompliance with privacy frameworks throughout FYE 2024. The Group remains committed to upholding its strong track record in safeguarding the privacy of stakeholders, with a special focus on its valued customers.

Sustainability Report (Cont'd)

CULTIVATING SUSTAINABLE BUSINESS GROWTH

ECONOMIC PERFORMANCE

ENRA acknowledges the essential role of economic performance in achieving sustainable growth, serving as a key driver behind the Group's dedication to the EESG agenda. Revenue and earnings generated act as crucial resources, enabling the Group to create economic value for a wide range of stakeholders. This includes the creation of job opportunities, fostering entrepreneurship, increased contributions to government tax revenues, support for the local supply chain, and the fulfillment of financial commitments to stakeholders.

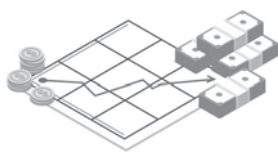
While the Group understands the significance of positive economic performance in sustaining earnings and enhancing share value, the group faces challenges in the past two financial years due to economic downturn both locally and overseas. While we remain steadfast, there were also operational challenges that temporarily affected our financial performance for the year. The Group remains committed to balancing economic growth and profit generation with a mindful consideration of the impact on the environment and people.



Revenue
(RM'000)
FYE 2024:
RM31,057



PATAMI
(RM'000)
FYE 2024:
(RM14,877)



Total Asset
(RM'000)
FYE 2024:
RM151,928



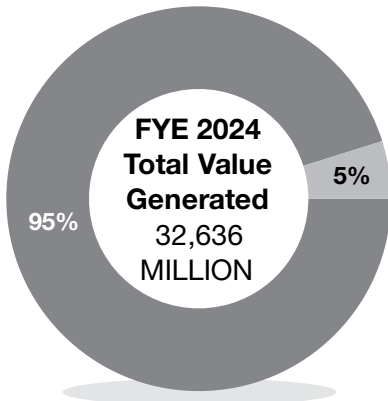
Net Asset Per Share
(RM)
FYE 2024:
RM1.13



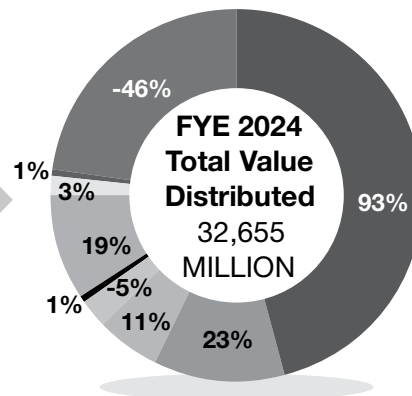
Shareholder Equity
(RM'000)
FYE 2024:
RM75,641



Earnings Per Share
(RM)
FYE 2024:
(RM0.11)



■ Revenue ■ Other Income



■ Operating Expenses ■ To Employees
 ■ Finance Cost ■ Non-Controlling Interest
 ■ To Government: ■ Depreciation and Amortisation
 ■ Inventories Written down ■ Impairment loss on PPE
 ■ PATAMI

Sustainability Report (Cont'd)

Economic Value Generated and Distributed

	FYE 2021 RM'000	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000
Value Generated				
- Revenue	112,799	88,316	30,479	31,057
- Other Income	2,067	21,058	1,554	1,598
Total Value Generated	114,866	109,374	32,033	32,655
Value Distributed				
To Supplier and Partners:				
- Operating Expenses	85,369	61,176	42,819	30,234
To Employees:				
- Salary and other Benefits	10,696	20,885	7,259	7,376
To Providers of Capital:				
- Dividends	1,686	9,984	-	-
- Finance Cost	4,250	2,481	1,479	3,533
- Non-Controlling Interest	1,825	(1,154)	(14,061)	(1,571)
To Government:				
- Taxation	1,137	892	61	293
Retain for Future Reinvestment and Growth:				
- Depreciation and Amortisation	9,413	8,528	6,071	6,122
- (Loss)/Profit After Tax		241	13,481	1,026
- Impairment loss on goodwill	8,536	-	400	-
- Impairment loss on PPE	-	9,006	-	519
- PATAMI	(6,360)	7,319	(25,476)	(14,877)
- Dividends	(1,686)	(9,984)	-	-
Total Value Distributed	114,866	109,374	32,033	32,655

Further information on ENRA's economic performance can be found in:

- Group Five Years Financial Highlights on pages 5 to 6.
- Management Discussion and Analysis on pages 13 to 17.
- Financial Statement on pages 109 to 178.

Sustainability Report (Cont'd)

PRODUCT QUALITY AND RESPONSIBILITY

ENRA acknowledges that maintaining the quality and responsibility of its products and services is essential to its sustainability commitment and fulfilling the requirements of its customers. The approach to managing product quality and responsibility is based on a comprehensive method aimed at ensuring strong, consistent assurance throughout the business cycle, from raw materials sourcing to post-sales customer services.

- **MAINTAINING STRONG QUALITY MANAGEMENT IN ENERGY SERVICES**

The Hexagon group of companies is the Group's energy logistics business arm. It is involved in SPM CALM Buoy and Offshore Production Storage facilities business, and had developed a Standard Operating Procedure tailored specifically for its now completed operations at the Yetagun Field, in addition to standard Oil Tanker Operation protocols. Its vessel, Ratu ENRA, strictly adheres to International Maritime Law, with classification by the American Bureau of Shipping (ABS) ensuring compliance with specifications and requirements. Over the past four years since its acquisition, the Ratu ENRA has consistently maintained valid Class Certification, undergoing regular inspections and surveys as per shipping practices. The management team plays a crucial role in ensuring that services provided to clients adhere to contractual obligations, serving as the foundation for maintaining quality standards. Additionally, the vessel's fitness for work and purpose is approved by the Class, further reinforcing the commitment to quality assurance.

- **ENHANCING PRODUCT QUALITY MANAGEMENT IN PROPERTY DEVELOPMENT**

ENRA's property development subsidiary, Q Homes, upholds quality as its foremost priority, ensuring that construction projects adhere to specified standards and regulations to mitigate potential risks and liabilities. Here are the key components and steps involved:

- I. **Risk Assessment**

Identify potential risks associated with the construction project, which could include structural risks, environmental risks, regulatory risks, and others.

- II. **Regulatory Compliance**

Ensure that the construction project complies with all relevant building codes, zoning regulations, and safety standards. Non-compliance can lead to fines, delays, or even project shutdowns.

- III. **Quality Control Processes**

Acotec IBS Panel implement quality control processes to monitor construction activities and ensure that workmanship meets specified standards. This may involve regular inspections, testing of materials, and adherence to approved construction methods. This product has endorsed by SIRIM MS ISO 9001: 2008.

- IV. **QLASSIC (Quality Assessment System for Building Construction Works)**

Q Homes planning to have a QLASSIC assessment by 2026. QLASSIC is a certification scheme developed by the Construction Industry Development Board (CIDB) and assessment is carried out based on the Construction Industry Standard (CIS 7) to measure the quality level achieved in a completed project. Marks are awarded if the workmanship complies with the standard. These marks are then summed up to calculate the QLASSIC Score (%) for the building construction project.

- V. **Documentation and Record-Keeping**

Maintain thorough documentation of all construction activities, including permits, inspections, contracts, and communication with stakeholders. This documentation can be invaluable in the event of disputes or claims.

- VI. **Insurance Coverage**

Obtain appropriate insurance coverage to protect against various risks associated with construction projects. This may include general liability insurance, builder's risk insurance, professional liability insurance (for architects and engineers), and surety bonds.

Sustainability Report (Cont'd)

VII. Contractual Protections

Include provisions in contracts with contractors, subcontractors, and suppliers to allocate risks appropriately and ensure that all parties understand their responsibilities and liabilities.

VIII. Quality Assurance Programmes

Implement quality assurance programmes to continuously improve construction processes and prevent defects or errors. This may involve training personnel, implementing best practices, and utilising quality management systems.

IX. Post-Construction Inspections

Conduct inspections after construction is completed to identify any defects or deficiencies that need to be addressed before the project is handed over to the client. Addressing these issues promptly can help avoid costly disputes or claims down the line.

X. Customer Satisfaction

Ultimately, building quality insurance should aim to deliver a finished product that meets or exceeds the expectations of the client in terms of quality, safety, and functionality.

• **STRENGTHENING PRODUCT QUALITY MANAGEMENT FOR MRO SERVICES**

As part of the newly established Maintenance, Repair, and Overhaul Services division, ENRA Energy Solutions Sdn Bhd (“EES”) is deeply committed to ensuring the highest standards of service and product quality. Understanding the importance of quality assurance for the longevity and success of our operations, here is how EES addresses each of the highlighted point:

I. Standard Operating Policies and Procedures (“SOPP”) for Quality Assurance

EES has developed comprehensive SOPPs that outline its approach to quality assurance. These procedures ensure consistency in its operations and adherence to best practices in MRO services, establishing a solid foundation for quality from the outset.

II. Quality Certifications

Recognising the significance of internationally recognised standards, EES is in the process of obtaining quality certifications such as ISO9001 (Quality Management Systems), ISO14001 (Environmental Management Systems), and ISO45001 (Occupational Health and Safety Management Systems). These certifications underscore the commitment to excellence and continuous improvement across all aspects of operations.

III. Compliance Certifications

Understanding the necessity of adhering to specific compliance certifications required by the industry and regulatory bodies, EES is committed to obtaining relevant certifications, as necessary for the operation, ensuring that services meet all mandatory standards and regulations.

IV. Quality Assessments and Inspections

EES plans to conduct regular internal and external audits to assess and inspect the quality of processes, products, and services. These assessments are crucial for identifying areas of improvement, ensuring compliance with SOPs and international standards, and maintaining the trust of clients and partners.

Sustainability Report (Cont'd)

To illustrate the point about 'Management and Team Roles in Quality Assurance' at EES, here are some examples demonstrating how different roles contribute to the overarching goal of maintaining high-quality standards.

Role	Responsibility
CEO and Executive Team	Sets the tone for quality by establishing clear quality objectives aligned with the company's mission and strategic goals. Spearheads the adoption of quality management systems, like ISO certifications, to embed quality into the organisational culture.
Quality Assurance	Managers develop and implement quality management systems. Work on the development, implementation, and continuous improvement of quality management systems, ensuring processes comply with international standards. Conduct regular reviews for enhancement.
Quality Assurance Managers	Training and Development: Organises training sessions for employees on quality standards, new regulations, and best practices, ensuring the team remains knowledgeable and up-to-date with industry standards.
Procurement Team	Supplier Selection and Evaluation: Responsible for selecting suppliers based on stringent quality criteria, including the provision of certified original spares. Conducts regular audits to ensure ongoing compliance with quality standards.
Technicians and Engineers	Hands-on Quality Control: Performs detailed inspections and tests on incoming materials and finished products to ensure they meet predefined quality standards. Directly involved in corrective and preventive maintenance for reliability and performance. Continuous Feedback Loop: Actively provides feedback regarding the quality of materials and processes, contributing to continuous improvement.
Customer Service Team	Customer Feedback Analysis: Collects and analyses customer feedback to identify areas for improvement. This information is crucial for understanding the perceived quality of products and services.
Human Resources	Quality-focused Recruitment: Ensures new hires possess the right mindset and skills to uphold the company's quality standards. Plays a crucial role in embedding a quality culture through the selection of candidates who demonstrate a commitment to excellence.

To vividly illustrate EES's commitment to the "Quality of Materials," consider the following detailed example that underscores the meticulous approach to sourcing and verifying materials:

Sustainability Report (Cont'd)

Task Initiation	EES is assigned the overhaul of diesel engines, identifying Initiation fuel injectors as a critical component
Supplier Selection	Contact multiple suppliers known for high-quality engine parts and evaluate based on reputation, certifications, and history
Verification of Authenticity	Review documents from potential suppliers, including authenticity certificates, production records, and QC reports
Sample Testing	Request sample injectors for rigorous testing in EES facilities to confirm quality and performance standards are met
Order Placement and Inspection	Place an order for the fuel injectors, inspect each part upon arrival for damage, consistency, and authenticity verification
Installation and Performance Monitoring	Install the injectors into engines and monitor performance over time to assess reliability and efficiency

This example demonstrates EES's thorough approach to ensuring the quality of materials used in its services. By sourcing only certified original spares and enforcing a rigorous verification process, EES not only upholds its commitment to quality but also builds trust with clients. This guarantees the durability, performance, and reliability of its services and products.

OPERATION MANAGEMENT & ASSET UTILISATION

The resilience demonstrated in ENRA's operations and the dedication of its personnel stand as critical elements as the Group tackles global challenges. The focused execution of the Group's strategies and efforts to strengthen its core business has clearly propelled ENRA to new heights. Apart from maintaining stable operational management, the Group has responded to the uncertain global landscape with a disciplined approach towards cost optimisation and a commitment to sustainable business growth. This include placing a strong emphasis on advancing its sustainability journey.

• **MONITORING FOR SUSTAINABLE BUSINESS**

Efficient project management is a top priority for the Group, encompassing project inception, planning, execution, completion, and post-completion analysis, including lessons learned and the implementation of measures for future projects.

The Group places a strong emphasis on the following principles:

- I. Cautious due diligence processes;
- II. Timely execution and adherence to allocated budgets;
- III. Implementation of contingency plans;
- IV. Adaptability to changes in market conditions that would require quick intervention or modification to the execution plan;
- V. Thorough progress monitoring, aligning with directives from the Board and Senior Management; and
- VI. Balancing progress with financial considerations.

Sustainability Report (Cont'd)

To facilitate effective project management, the Group utilises the following platforms:

I. EXCO Activity

The EXCO maintains consistent communication among its members, and middle to senior management have direct access to engage with the EXCO for support and decision-making. Various communication tools, such as Microsoft Teams, direct messaging, and conference calls, are routinely employed to ensure efficient interaction between the EXCO and Management.

II. Group Management Committee

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

III. Monthly Performance Review

The MPR meeting takes place once a month and is attended by the head of each subsidiary, who is accompanied by the subsidiary's head of finance, and officers to key projects being undertaken. There is flexibility on the frequency of the meeting as the EXCO members are very hands on with the group operations. During the meeting, each subsidiary presents their operational performance results to the EXCO which includes review of the financial performance, achievements during the period and discussions on areas for improvement.

Comparisons between actual against budgeted and previous year numbers are made and reviewed for the quarter and year-to-date. Any significant variance is highlighted and any remedial plans to achieve or outperform the budget would be discussed. Based on deliberation, a new projection for the balance of the financial year is made if needed and a full year forecast is prepared for notation by the Board.

• ENSURING BUSINESS CONTINUITY

I. Overview and outlook of the Malaysian Economy

The Malaysian economy grew at a higher rate of 4.2% in the first quarter of 2024 (4Q 2023: 2.9%), driven by stronger private expenditure and positive turnaround in exports. Household spending was higher amid continued growth in employment and wages. Better investment activities were supported by higher capital spending by both the private and public sectors. Exports rebounded amid higher external demand. On the supply side, most sectors registered higher growth. The stronger growth in the services sector was driven by higher retail trade activities and continued support from the transport and storage subsector. On a quarter-on-quarter seasonally-adjusted basis, the economy expanded by 1.4% (4Q 2023: -1%).

For 2024, headline and core inflation are projected to remain moderate between 2% - 3.5% and 2% - 3%, respectively. These broadly reflect stabilising demand and contained cost pressures, coupled with some potential upside that could arise from the implementation of fuel subsidy rationalisation. The outlook for the rest of the year is dependent on the implementation of domestic policy on subsidies and price controls, as well as global commodity prices and financial market developments.

(Source: Economic and Financial Developments in Malaysia in the First Quarter of 2024, Bank Negara Malaysia)

Sustainability Report (Cont'd)

II. Overview and outlook of the UK Economy

Inflation has more than halved from its recent peak and the government is continuing to support the Bank of England, with policy decisions at this event directly reducing inflation in 2024-25. The Office for Budget Responsibility (“OBR”) forecasts inflation to fall to its 2% target in Q2 2024, a year earlier than in their November 2023 forecast. As a result of falling inflation, real wages are rising. The OBR now expects living standards, as measured by real household disposable income per person, to grow by 0.8% in 2023-24 and continue to grow in each year of the forecast.

Gross Domestic Product (GDP) grew by 0.1% in 2023 and the unemployment rate has remained low by historical standards at 3.8% in Q4 2023, below the OBR’s November 2022 forecast of 4.6%. Growth is now forecast to pick up from the first half of 2024 and the International Monetary Fund is forecasting that the UK will have the third fastest cumulative growth in the Group of Seven (G7) over the 2024-2028 period.

The economy is beginning to turn a corner and the government is sticking to its plan: inflation is down, growth is forecast to improve and debt is on track to fall. The government is taking long-term decisions to cut taxes further for working people, reform how it delivers public services, and build a stronger economy and a brighter future for the UK.

(Source: Spring Budget 2024, Her Majesty’s Treasury, UK)

III. Overview and of the Group Operational Division

a. Energy Logistic Services

In 2024, the mining sector locally is forecasted to rebound by 2.7%, driven by remarkable performance in natural gas as well as crude oil and condensate subsectors. Anticipation of first natural gas production from new gas field development projects as well as higher production from the existing gas fields are estimated to boost the growth of the natural gas subsector. In terms of prices, the Brent crude oil is projected to average at USD85 per barrel on anticipation of higher demand given the positive global outlook for the year.

Across the globe, major oil & gas companies have taken Final Investment Decisions on projects put on hold during the COVID-19 pandemic as the near-term outlook for demand improves

Our FSO operation which deployed our vessel, Ratu ENRA and a SPM CALM Buoy system in Yetagun, Myanmar had ended in November 2023. The vessel is presently undergoing mandatory dry docking and special survey works, scheduled for completion by the end of Q1 FYE 2025. Following this, the vessel will promptly be deployed to initiate time chartering operations. This is anticipated to yield a positive contribution to the Group’s earnings.

Having acknowledge the opportunities from emerging new gas fields as well as higher production from the existing gas fields coupled with stable oil price, the division is ready to build the energy logistics operations by building upon its experience in the business since 2018.

b. MRO Services

In the FYE 2024, the Group directed its efforts towards business development and marketing to position itself as a comprehensive specialist in MRO services for diesel power generation and propulsion equipment across multiple brands and model to wider its client base across other industries apart from traditional core oil & gas market.

The encouraging oil & gas sector locally and internationally is expected to provide opportunities to the division. The Group believes that the time and effort it has invested in laying the foundation over the last several months and the positive response from the market will yield promising result in the near future.

Sustainability Report (Cont'd)

c. Property Development

The property market locally has gradually increased in 2023, higher after the downturn in 2020 due to the COVID-19 pandemic. A total of 399,008 transactions worth RM196.83 billion were recorded, each showing an increase of 2.5% and 9.9% respectively compared to 2022, which recorded 389,107 transactions worth RM179.07 billion.

As the national economy is projected to remain in the range of 4.0% to 5.0% in 2024 which is supported by resilient domestic growth prospects, the property market performance is expected to remain cautiously optimistic given the unpredictable external environment. The accommodative policies, continuous Government support, well-executed measures outlined in Budget 2024, and the proper implementation of strategies and initiatives under RMK-12 are expected to continue supporting growth in the property sector.

The Group's affordable homes segment has demonstrated a stronger performance in the last financial year. Our second project, Taman Vista Impian in Dengkil, achieved an encouraging sales rate of 56% and progressed with construction reaching 44%. With a gradual improvement in market sentiment, the Group is now gearing up to launch its third project in Telok Panglima Garang.

As the UK economy is showing positive progress towards reducing inflation, the Group continues to seek the best outcome for its project in Rugby. The team has been refining the sales strategy and assessing project feasibility.

Considering the property outlook and the current market conditions, the Group is cautiously optimistic about its focus and efforts to successfully develop and sell its products in a timely manner.

INNOVATION AND TECHNOLOGY

Innovation remains a cornerstone of ENRA's operations, driving enhancements across crucial aspects of the business, including product quality, capacity, customer service, and communication. This commitment to innovation strengthens the core of ENRA's business model.

ENRA places a strong emphasis on adaptability, relevance, and competitiveness in the ever-evolving external landscape. Through a culture of innovation, the company stays attuned to market demands and seizes opportunities to enhance efficiency. This approach ensures that the Group consistently delivers top-tier products and experiences to its customers while upholding its sustainability commitments.

ENRA fosters a culture of employee involvement in the innovation process. This is facilitated through action-based learning projects, idea contributions, and the formation of taskforces to address specific focus areas identified through data-driven insights. Company leadership plays an active role in championing digital transformation initiatives at all organisational levels.

These insights, gathered collectively from across the Group, enable ENRA to strategically deploy innovation where it matters most, enhancing the Group's resilience in response to the prevailing operating environment. As exemplified by the post pandemic era, ENRA has embraced fresh opportunities in digitalisation. The subsequent sections of this Report will delve deeper into these initiatives.

Sustainability Report (Cont'd)

• IT INFRASTRUCTURE

The GIT team significantly impacts ENRA's overall environmental footprint through the following strategies and ideas to improve energy efficiency, contributing to a strong EESG performance and demonstrating sustainability leadership. This not only benefits the environment, but also translates to cost savings on energy bills, making it a win-win for businesses.

I. Energy Efficiency

Implement strategies to reduce energy consumption in ENRA's through server consolidation, virtualisation, and energy-efficient hardware.

II. Server Consolidation

Consolidate underutilised physical servers into fewer, but more powerful machines. This reduces overall energy draw and simplifies management.

III. Virtualisation

Utilise virtualisation software to run multiple virtual machines on a single physical server, maximising resource utilisation and minimising energy waste from idle servers.

IV. Energy-Efficient Hardware

Invest in energy-efficient hardware certified by Programmes like Energy Star. taking into account features like power-saving modes and efficient cooling systems.

V. Shift to Cloud Services

Migrating email workloads to Microsoft 365 cloud platforms which offer significant energy efficiency benefits as the cloud providers have economies of scale and invest heavily in data center optimisation.

Name	Status	Type	Owner Node	Priority
BASinet Application Ser...	Running	Virtual Machine	EGBHSSV0001	High
EGBDCSV0002	Running	Virtual Machine	EGBHSSV0001	High
EGBISGLSV0001	Running	Virtual Machine	EGBHSSV0002	High
Moemnon	Running	Virtual Machine	EGBHSSV0002	High
Office LIAT & Training...	Off	Virtual Machine	EGBHSSV0001	Medium
Remote Server	Running	Virtual Machine	EGBHSSV0002	Medium
SAP B1	Running	Virtual Machine	EGBHSSV0001	Medium
WG Demerion	Running	Virtual Machine	EGBHSSV0001	Low

VIRTUAL SERVER

Name	Status	Assigned Vote	Current Vote	Information
EGBHSSV0001	Up	1	1	
EGBHSSV0002	Up	1	1	

FAIL-OVER SERVER HARDWARE

Sustainability Report (Cont'd)

• CYBERSECURITY

Data security and protection are among the most important and crucial aspects for ENRA. The Group understands the importance of safeguarding its data and protecting it from breaches, intrusions, and cybercriminals. These threats can lead to serious damage to our business and operations. To address these concerns, the GIT team has developed the following standard best practices. By demonstrating commitment to data privacy and security, it has built trust with customers, partners, and employees. Robust data security measures mitigate the risk of data breaches, which can be costly in terms of financial penalties, reputational damage, and legal repercussions. Additionally, strong data governance frameworks ensure responsible data handling practices, aligning with EESG principles of ethical and transparent business conduct.

I. Robust Cybersecurity Measures

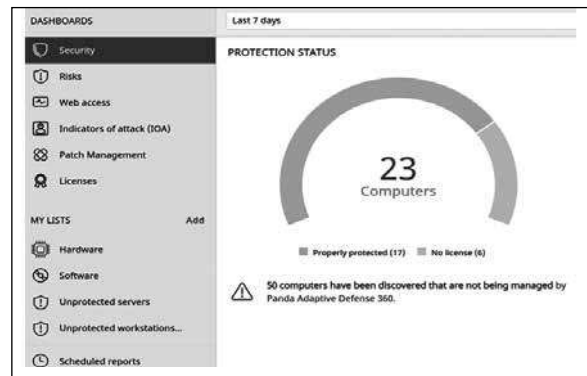
Implement firewalls, intrusion detection systems, and data encryption to safeguard sensitive information from unauthorised access, breaches, and cyberattacks.

II. Regular Security Audits and Updates

Conduct regular security assessments and vulnerability scans to identify and address potential weaknesses in IT systems. Ensure software and firmware are kept up-to-date with the latest security patches

DISPLAY NAME	USER NAME	MULTI-FACTOR AUTH STATUS
AGAL MAGHATH A/L SUBR	@enra.my	Enabled
AHMAD ZAKI BIN AHMAD ZAI	@enra.my	Enabled
AIN NAZIHA BINTI ZAMRI	@enra.my	Enabled
AMIR RUQAIMI BIN NGAH	@enra.my	Enabled
CHIN SOO CHING	@enra.my	Enabled
DANIEL LAU LEE HOONG	@enra.my	Enabled
enra.bod	@enra.my	Enabled
FAIZUL BIN ZAINOL	@enra.my	Enabled
FOO LAI MING	@enra.my	Enabled

MULTI-FACTOR AUTHENTICATION (ENABLED)



SECURITY DASHBOARD

Order	Action	Policy Name	Policy Type
18	✓	SMTP-proxy-Incoming	SMTP-proxy
19	✓	SMTP-proxy-Outgoing	SMTP-proxy
20	✓	SMTP Incoming Quarantine	SMTP Quarantine
21	✓	SMTP Quarantine Outgoing	SMTP Quarantine
22	✓	Mdemon Incoming	Mdemon
23	✓	Mdemon Outgoing	Any
24	✓	Microsoft Teams	Microsoft Teams
25	✓	FTP Port	FTP Port
26	✓	Allow microsoft teams	Any-Trusted
27	✗	Block WinNcrypt virus	Any
28	✓	WatchGuard SSL VPN	SSL-VPN
29	✓	VP TIME USER	Any
30	✓	VP User	Any
31	✓	WatchGuard Authentication	Any-Trusted, Any-Optional
32	✓	SQL Server	SQL Server
33	✓	Vibe	Any-External
34	✓	NAS NAT	NAS NAT
35	✓	WG-Mgmt-Server	WG-Mgmt-Server
36	✓	HTTP-proxy-D2 Users	HTTP-proxy
37	✓	HTTP-proxy-Maxis Users	HTTP-proxy
38	✓	HTTPS-proxy-D2 Users	HTTPS-proxy
39	✓	HTTPS-proxy-Maxis Users	HTTPS-proxy

SECURITY CONTROL

Security patches:	Other patches (non-security-related):	Service pack:
<ul style="list-style-type: none"> Critical (13) Important (30) Unspecified (37) 	<ul style="list-style-type: none"> Patches (69) 	<ul style="list-style-type: none"> Service pack (6)
View all available patches (155) View installation history View excluded patches (0)		
LAST PATCH INSTALLATION TASKS		
<ul style="list-style-type: none"> Install 2 patches on EESNB0004 (3/19/2024 11:10:17 AM) Finished Install 3 patches on EESNB0003 (3/19/2024 11:10:17 AM) In Progress Install .NET Framework 4.8 (x64) patch on EESSB0001 (2/5/2024 9:53:51 AM) Finished Install 5 patches on EGBNB0073 (10/30/2023 11:23:44 AM) Finished Install Microsoft Visual Studio 2010 Tools for Office Runtime (x64) patch on EGBNB0073 (10/17/2023 11:09:05 AM) Finished 		

PATCH MANAGEMENT - UPDATE

Sustainability Report (Cont'd)

• INDUSTRIAL BUILDING SYSTEM

In FYE 2023, ENRA's property development subsidiary, Q Homes, initiated the use of Industrialised Building Systems (IBS) for its latest development project in Dengkil, Selangor.

An IBS refers to a prefabricated construction approach used in the design and construction of buildings. These systems typically involve the use of pre-engineered building components, such as structural steel framing, roofing and wall panels, and other materials that are manufactured off-site and assembled on-site.

One of the main advantages of IBSs is that they can significantly reduce construction time and costs. Since many of the components are pre-manufactured, the construction process can be streamlined and standardised, which can lead to faster and more efficient construction.

In addition to cost and time savings, IBSs can also offer other benefits such as improved energy efficiency, greater durability, and improved safety. For example, some systems may incorporate insulation and other features that help to reduce energy consumption, while others may be designed to withstand severe weather conditions.



• DIGITAL MARKETING

ENRA's property development subsidiary, Q Homes, has been embracing digital platforms for their marketing and sales strategies. These adaptations included:

- I. Utilising digital marketing instruments such as e-brochures, infographics and videos;
- II. Establishing a virtual sales gallery; and
- III. Leveraging social media platforms like Facebook and Instagram.

Q Homes believe that digital marketing alongside its newly designed show units initiatives has been impactful. It has received a high volume of enquiries on its projects since the Company began its digital marketing back in 2022.

Achieving a delicate balance between capital expenditure, user experience, capability, and operational efficiency is an ongoing pursuit that needs to be managed carefully. Properly allocating capital expenditure to technology investments ensures the organisation remains technologically competitive while considering the financial impact. ENRA believes that it has achieved a reasonable balance, ensuring that its infrastructure and systems function smoothly throughout the financial year.

Regarding the IT technology currently in place and with the recommendations from the audit, ENRA believes it has adopted reliable and cost-effective technologies that align with the goals set for this material topic. The Group also maintains confidence in the adequacy and stability of its cybersecurity measures and conducts regular reviews to identify areas for improvement. The technology used by ENRA's property development arm, Q Homes, is established and well-understood in terms of associated risks.

Sustainability Report (Cont'd)

FOSTERING ENVIRONMENTAL STEWARDSHIP

ENRA is dedicated to conducting its operations responsibly, with a focus on minimising its environmental footprint. This commitment encompasses addressing climate change, managing energy consumption, reducing greenhouse gas emissions, protecting biodiversity, conserving water resources, implementing efficient waste management practices, and preventing pollution. To do this, ENRA adheres to environmental best practice standards and incorporates eco-friendly business practices.

The Group's operations are governed by its QHSE Policy, HSE Management System Manual ("HSEMS"), and various HSE supporting guidelines and procedures, detailed on page 71. These documents provide detailed guidance on all aspects of a QHSE management system and framework, with a strong emphasis on environmental conservation. The Group firmly believes that achieving good QHSE performance is integral to its overall success, and it recognises that HSE responsibilities are shared across ENRA.

In addition to managing its own operations, ENRA is acutely aware of its role in addressing indirect environmental consequences, including water and energy consumption, as well as customer waste, especially within its property development division. The Group remains committed to implementing water and energy conservation measures, along with other resource-efficient solutions.

CLIMATE CHANGE

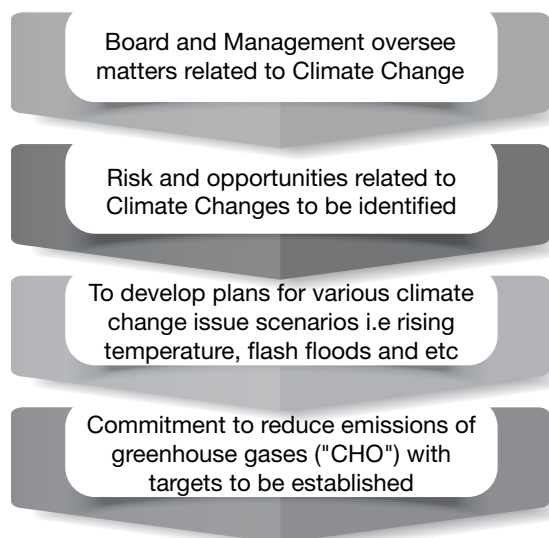
Climate change is becoming one of the most pressing global sustainability issues today, which poses a significant threat due to the increasing level of carbon emissions. The resulting impact includes unpredictable weather patterns and a rise in extreme weather events, leading to a higher frequency of natural disasters like floods and landslides. This trend is noticeable not only globally but also locally in Malaysia.

Addressing this imminent threat requires collective efforts from individuals, organisations, and governments to mitigate its effects and work towards a more sustainable future. ENRA remains steadfast in its commitment to addressing climate change and its potential consequences, fully aware of how these impacts can affect both the Group's operations and its stakeholders. Consequently, the Group maintains a constant awareness of how its business activities, especially in terms of resource usage, emissions, and waste generation, can contribute directly or indirectly to climate change.

ENRA is firmly committed to participating in global initiatives aimed at mitigating climate change and minimising its adverse effects. This commitment entails not only the development of a comprehensive decarbonisation strategy but also the establishment of robust mechanisms for measuring and monitoring emissions.

To address the challenge of climate change, in FYE 2024, ENRA is formulated its Climate Change Roadmap with the objective of aligning with the implementation of the TCFD recommendations. This roadmap will provide a strategic guide for ENRA as it progresses towards fulfilling its sustainability commitments and pledges.

- **ENRA CLIMATE CHANGE ROADMAP**



Sustainability Report (Cont'd)

The Board oversees the Group's sustainability strategy, focusing on climate-related aspects such as decision-making, risk and opportunity assessment, and high-level policy progress. A specific concern for the Board is the inclusion of climate change and its business implications as a material topic for ENRA, discussed and approved during their deliberations. The ARMSC, delegated by the Board, is responsible for reviewing and regularly updating the Group's sustainability strategy and plans.

Climate Change-Risks and Opportunities

RISKS	OPPORTUNITIES
ENERGY LOGISTICS DIVISION	
Increased frequency and intensity of hurricanes, typhoons, and storms could lead to damage or loss of vessel and SPM facilities. This could lead to increase in maintenance costs and potential safety hazards.	Development of advanced technologies for climate resilience in FSO design and operation to improve safety, increase efficiency and reduce environmental impact.
Changes in sea temperature can affect the efficiency of cooling systems and impact equipment performance.	Implement energy efficiency measures to optimise cooling system performance, considering variations in sea temperatures.
Stringent regulations aimed at reducing carbon emissions could increase operational costs.	Explore the implementation of carbon capture and storage (CCS) technologies to capture and store carbon emissions from FSO operations.
PROPERTY DEVELOPMENT DIVISION	
Increased temperatures may necessitate changes to planning and design, resulting in higher development costs.	Development of sustainable construction methods and designs for long-term feasibility, all of which reduces overall impacts on the climate.
Increased damages and liabilities from ongoing developments that are potentially affected by climate change-related natural disasters.	Greater acceptance for use of environmentally friendly design, materials and features within property development.
MRO SERVICES DIVISION	
Extreme weather events, such as storms, floods, or heatwaves, can cause significant disruptions to operations. Facilities may suffer damage, and the supply chain could be interrupted, impacting service delivery timelines and costs.	Growing demand for more environmentally friendly and energy-efficient solutions. This can be capitalised on this by offering services that help clients reduce their carbon footprint, such as retrofitting older equipment to improve efficiency or reduce emissions.
As governments worldwide impose stricter environmental regulations to combat climate change, MRO companies may face challenges in compliance, requiring investments in cleaner technologies or processes and navigating a complex landscape of carbon taxes or emissions trading schemes.	Climate change drives innovation in materials, technologies, and processes. MRO companies can develop new services and products that address climate-related challenges, opening up new markets and customer segments.
Climate change can lead to scarcity of critical materials and resources, driving up costs. For instance, water stress could affect operations that rely on water-based processes, and changes in global temperatures could impact the availability of certain materials.	By adopting more sustainable practices, such as waste reduction, energy efficiency, and lean manufacturing, MRO companies can achieve operational efficiencies that reduce costs and improve competitiveness.

Sustainability Report (Cont'd)

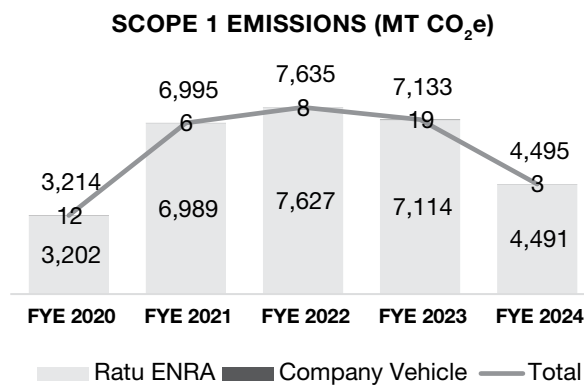
By striving for a net-zero emissions target, the Group's efforts align with national and global objectives, including Malaysia's aspiration to achieve carbon neutrality by 2050 and the UN SDGs. As part of its journey toward becoming a net-zero carbon organisation by 2050, the Group has set an interim goal to reduce its GHG emissions intensity by 50 percent by 2030.

ENRA is still engaged in a range of initiatives aimed at ensuring effective adaptation to the scenario presented by climate change. The Group remains dedicated to its previous commitments while demonstrating a strong commitment to reducing the impacts of climate change and lowering emissions.

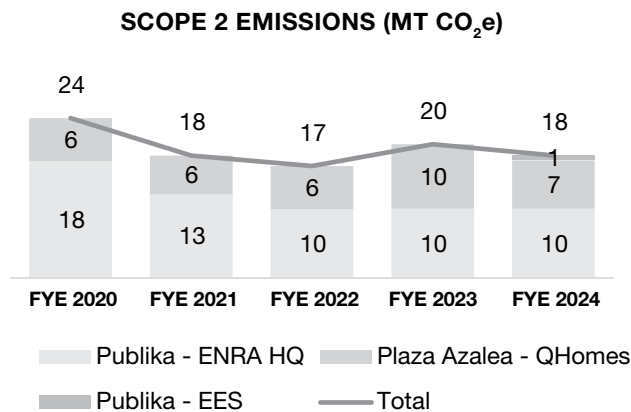
EMISSIONS

ENRA's carbon emissions primarily result from the direct combustion of fuels like marine gasoil ("MGO"), diesel, and petrol (Scope 1), as well as purchased electricity (Scope 2). This emission profile is typical in energy-intensive industries, including construction, real estate development, MRO services, and FPSO.

In FYE 2024, the Group's primary focus was on measuring its Scope 1 and 2 emissions to gauge the impact of operational carbon emissions. While comprehensive answers for Scope 3 emissions may not be fully available at present, the Group is committed to working with experts, manufacturers and suppliers to seek commercially available solutions that can move the Group towards a low carbon future. ENRA is committed to ensuring the adoption of appropriate calculation methodologies in order to maintain the integrity of information disclosed.



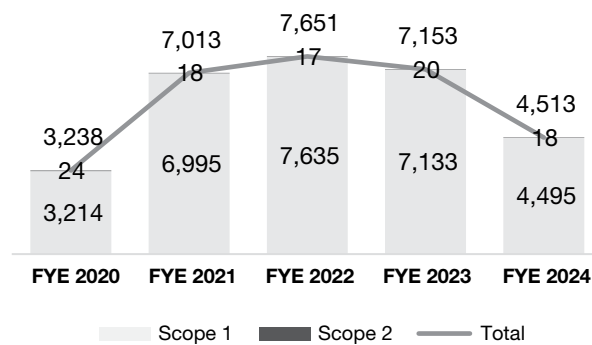
In FYE 2024, ENRA's Scope 1 GHG emissions data mainly represent the CO₂ emissions resulting from the MGO consumption of its vessel, Ratu ENRA, amounting to 4,491 MT CO₂e. Ratu ENRA operated at the Yetagun offshore operations in Myanmar under an 8-month contract ending in June 2023, which had been extended for a few additional months as part of a disconnection process. As for the Group's property development division, the fuel consumption associated with machinery and generator sets at Q Homes's construction sites was not categorised under Scope 1 emissions, as it is considered part of contractor emissions.



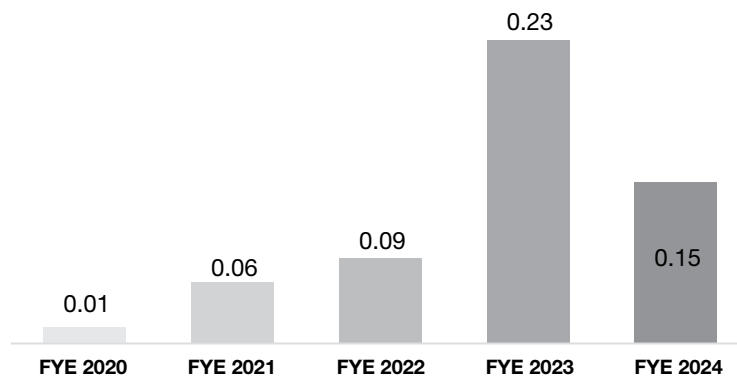
Sustainability Report (Cont'd)

The Scope 2 GHG emissions data for the Group includes CO₂ emissions resulting from the purchased electricity consumption of several key locations: the ENRA headquarters office, the Q Homes office, and the newly occupied office for EES in FYE 2024. ENRA exercises complete operational control over these assets, hence their inclusion in the calculation of Scope 2 emissions.

TOTAL SCOPE 1 AND 2 EMISSIONS (MT CO₂e)

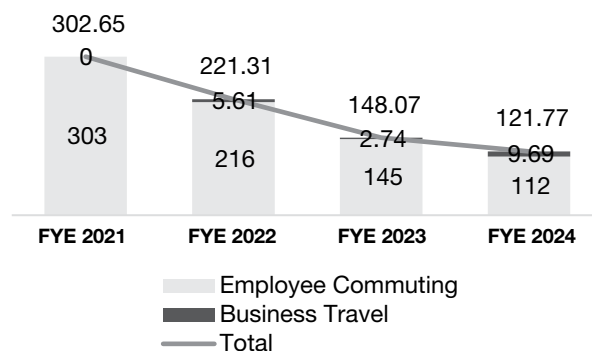


EMISSIONS INTENSITY (MT CO₂e/RM'000)



The chart above illustrates the GHG emissions intensity, representing the amount of CO₂e produced per year of revenue. The Group's total GHG emissions amounted to 4,513 MT CO₂e, resulting in a total GHG emissions intensity of 0.15 MT CO₂e/RM'000. With GHG emissions linked to an increase in revenue in FYE 2024, there is a lower emissions intensity this year. This reflects the Group's effective management of resource consumption, as evidenced by the reduction in emissions intensity compared to FYE 2023.

SCOPE 3 EMISSIONS (MT CO₂e)

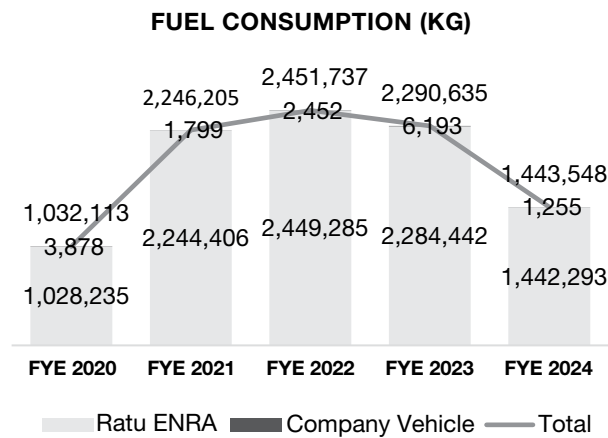


Sustainability Report (Cont'd)

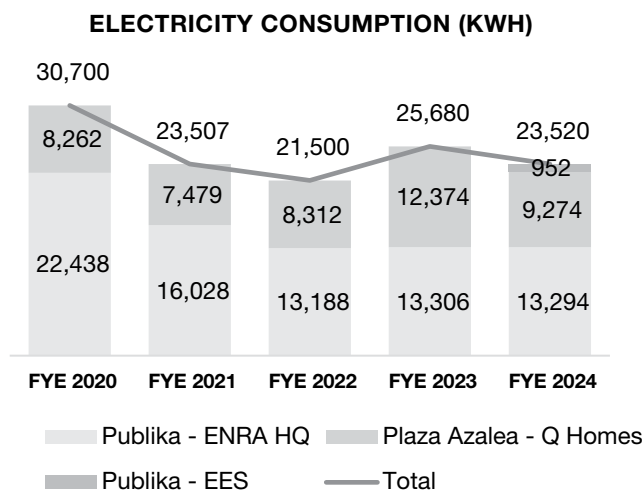
Scope 3 GHG emissions encompass emissions occurring beyond the organisational boundaries, comprising both upstream and downstream emissions, as well as those from contractors. ENRA's calculation of Scope 3 GHG emissions follows the Greenhouse Gas Protocol: Technical Guidance for Calculating Scope 3 Emissions (version 1.0), specifically under category 7 (Employee Commuting), using the distance-based method. In FYE 2024, the total Scope 3 GHG emissions mainly resulting from Employee Commuting amounted to 112 MT CO₂e.

ENERGY CONSUMPTION

ENRA is dedicated to playing a leadership role in the reduction of energy usage and addressing the critical issue of climate change. Whether through the adoption of energy-efficient technologies, utilisation of renewable energy sources, or encouragement of sustainable practices among its staff, the Group is actively contributing to fostering a more environmentally responsible future. Recognising that a significant share of ENRA's operational carbon emissions arises from both Scope 1 and Scope 2 (4,513 MT CO₂e in FYE 2024), the Group is dedicated to persistently directing efforts towards minimising fuel and electricity consumption across all its operations.

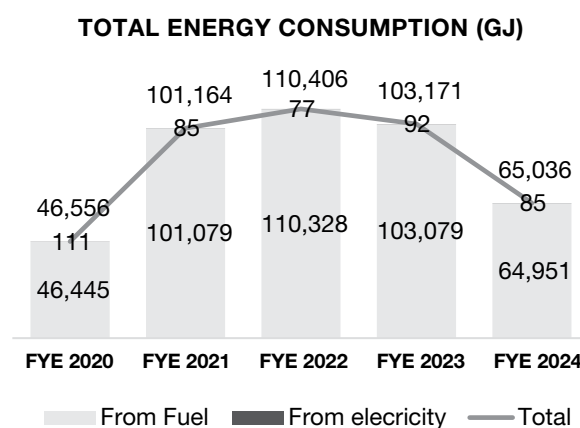


In FYE 2024, the significant portion of fuel consumption data stemmed from the MGO consumed by ENRA's vessel, Ratu ENRA, amounting to 1,442,293 Kilograms. This MGO was utilised to operate Ratu ENRA at the Yetagun offshore operations in Myanmar under an 8-month contract ending in June 2023. This contract has been extended for a few additional months as part of a disconnection process. Additionally, a minor diesel consumption of 1,255 kilograms was recorded, attributed to the usage of the company vehicle.

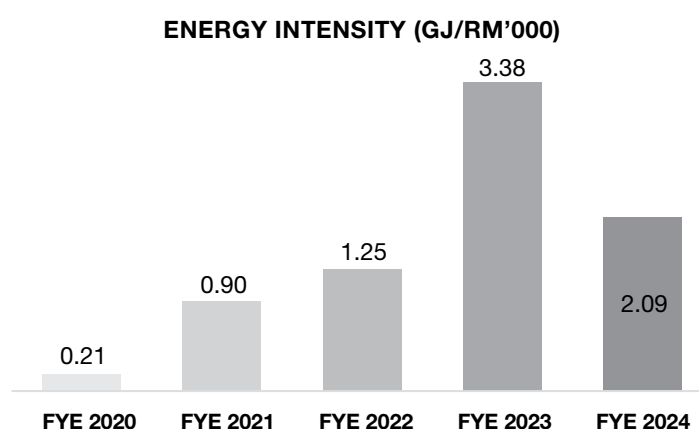


Sustainability Report (Cont'd)

The electricity consumption data for FYE 2020 to FYE 2023 outlined above reflects the usage at two distinct office locations of ENRA. The first is situated at Publika in Kuala Lumpur, accommodating ENRA Group. The second is located at Plaza Azalea in Shah Alam, serving as the office for Q Homes. In FYE 2024, the Group began tracking the electricity consumption of its newly occupied office for EES starting from January 2024. It is essential to note that the electricity and water consumption data associated with property development during the construction phase does not fall under Scope 2 for ENRA, as this data is attributed to the contractor responsible for those activities.



The total energy consumption, including energy from fuel and electricity amounted to 65,036 GigaJoules in FYE 2024.



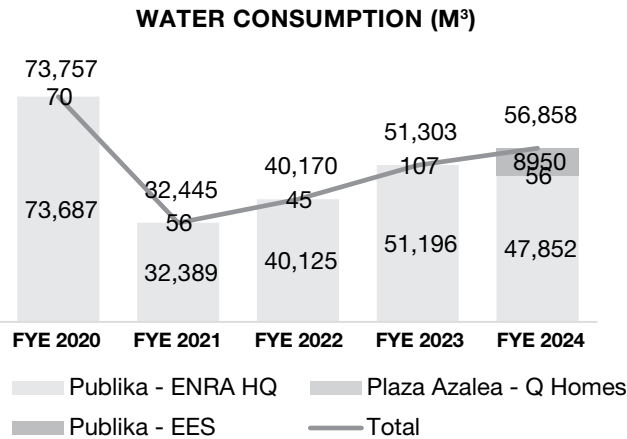
In the future, ENRA is committed to enhancing its data collection processes across its operations.

WATER MANAGEMENT

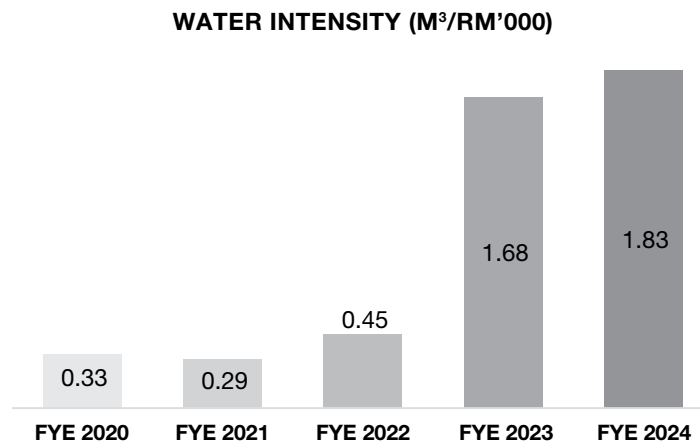
Effective water resource management is integral to environmental protection and an essential facet of our daily work and lifestyles. ENRA acknowledges the significance of water as a crucial resource extensively utilised in various aspects of its operations, business premises, and vessel. Recognising water as a scarce and critical resource, the company underscores the need for responsible management in alignment with industry best practices. The Group's ongoing commitment involves minimising water consumption at its business premises and throughout its operations through the implementation of effective water-saving practices.

ENRA primarily relies on municipal water supply as its main water source. The Group adopts a holistic approach to water management, implementing initiatives that involve monitoring and tracking the usage of water-saving fittings and overall water consumption. These efforts align with the Group's sustainability goals, reflecting its commitment to responsible water usage and conservation.

Sustainability Report (Cont'd)



Similar to the electricity consumption data, the water consumption data provided above specifically pertains to the water usage at three distinct office locations of ENRA: the ENRA headquarters office, the Q Homes office, and the newly occupied office for EES in FYE 2024.



Water intensity is assessed by comparing the total water consumed to the annual generated revenue. Despite the trend in water consumption showing an increase, the water intensity for FYE 2024 stands at 1.83 M³/RM'000. This signifies an increase compared to FYE 2023, highlighting an inefficient water management strategy.

WASTE MANAGEMENT

ENRA acknowledges the importance of minimising waste in its business operations, demonstrating a commitment to effective waste management. In order to reduce waste in day-to-day business operations and across its premises, ENRA's objective is to establish an efficient management system to monitor waste disposal and empower various locations to decrease waste generation while promoting recycling. The Group is dedicated to implementing sustainable operational practices and reducing reliance on non-renewable resources.

The Group set out the principle of waste reduction in its EESG Policy, comprising a waste management hierarchy that starts with prevention and ends with disposal.

- Prevention: Strict avoidance of waste generation at source;
- Reduction: Reducing amount of waste generated;
- Reuse/Recycle: Reuse waste into usable products or recycle waste to reduce depletion of sources; and
- Disposal: Ensuring waste disposed at legal landfill.

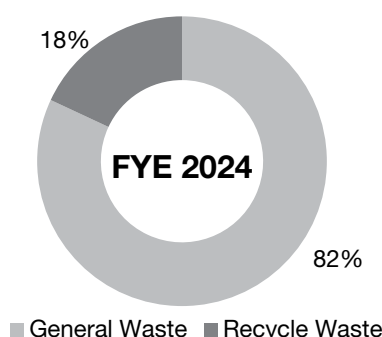
Sustainability Report (Cont'd)

Responsible waste management practices are promoted at ENRA's office through the following initiatives:

- Segregation of non-recyclable waste and recyclable waste; and
- Encouragement to replace the use of paper with digital documents and communication e.g. SharePoint, emails, etc.
- **NON-RECYCLABLE AND RECYCLABLE WASTE**

In FYE 2024, the Group enhanced its sustainable data collection system by initiating the tracking of daily waste generation. The collected waste data encompasses both waste-to-landfill data and recycling data. While acknowledging that complete waste generation data may not be readily available at present, the Group is dedicated to refining its tracking system to ensure better disclosure in the future.

WASTE GENERATION (KG)



EMPOWERING OUR PEOPLE

ENRA recognises that its impact extends beyond environmental considerations to the very fabric of society. This social section delves into the initiatives, programmes, and practices that reflect the Group's dedication to fostering positive social change. From cultivating a diverse and inclusive workplace to contributing to the communities where ENRA operates, the Group believes that sustainable business practices encompass more than just environmental responsibility.

ENRA actively invests in creating an inclusive and equitable workplace. This strategic focus ensures that individuals, irrespective of their backgrounds, have the opportunity to acquire the skills and experiences essential for career advancement. This deliberate investment positions the Group to attract, nurture, and retain the talent necessary for delivering its distinctive customer proposition.

EMPLOYMENT PRACTICES & HUMAN RIGHTS

ENRA upholds a profound commitment to human rights, safeguarding them across its business operations and throughout its supply chain. Leveraging its scale, capabilities, and influence, the company endeavours to contribute to the improvement of lives within communities, with a dedicated focus on addressing salient human rights issues identified by the Group.

Sustainability Report (Cont'd)

The Group is committed to ensuring it upholds all laws and regulations in the jurisdictions in which it operates and maintains a zero-tolerance policy toward unlawful and unethical human rights abuses and discrimination. The Code of Business Conduct Policy has been formulated and includes relevant international and domestic human rights standards to cultivate resilient governance structures, protocols, and ethical behaviours across the Group. This policy encompasses the following:

- **CONDUCTIVE WORKING ENVIRONMENT**

All employees must treat each other as well as ENRA Group's business partners and stakeholders inclusively, with dignity and respect.

- **EQUALITY AND DIVERSITY**

Any decision on recruitment, development, advancement or retirement of any employee must not be influenced by race, gender, age, disability, sexual orientation, class, religion, politics, smoking habits, or any other characteristic protected by law.

- **BULLYING AND HARASSMENT FREE**

The Group has a zero tolerance policy for any form of unsolicited or unwarranted verbal, non-verbal, visual, psychological or physical harassment of a sexual nature, sexual attention, advances, annoyance, coercion or assault, inside or outside the workplace. If as a result of carrying out work assignments or acting for and on behalf of the ENRA Group, this is not adhered to, such conduct will be treated as a major misconduct.

- **COMPLIANCE WITH APPLICABLE RULES AND REGULATION.**

The Group is committed to conducting its operations in compliance with all applicable laws, rules and regulations with respect to human rights.

- **PROHIBITING CHILD AND FORCED LABOUR**

The engagement or use of child or forced labour is strictly prohibited.

The Group's Employee Handbook outlines employees' rights, benefits, and ethical workplace protocols, in addition to delineating the Group's policies, labour standards, grievance mechanisms, and other described SOPs. Briefings on this handbook are conducted during the induction process for improved communication clarity and increased inclusivity in adhering to its content. The Group also consistently communicates updates on employment practices and human rights to employees via inductions, briefings, training, emails, memos, and other digital platforms.

Strict disciplinary action will be carried out to anyone within the Group who violates these standards. These disciplinary actions may comprise verbal inquiries, warnings, job suspension or termination as well as dissolving contracts.

ENRA's employment practices and human rights approach also extend to its supply chain, as embedded in the Vendor Code of Conduct. In FYE 2024, there were no reported incidents of human rights violations, discrimination or non-compliance with human rights laws, rules and regulations.

- **GRIEVANCE MECHANISM**

In the event of grievances, the Group's management explicitly upholds employees' rights to engage in the grievance procedures if issues remain unresolved. Employees have complete access to ENRA's official grievance mechanisms, as outlined in its Employee Relations SOP, enabling them to report dissatisfaction or express concerns regarding company-related matters and human rights issues. In FYE 2024, no cases of grievances concerning labour practices or human rights were recorded.

Sustainability Report (Cont'd)

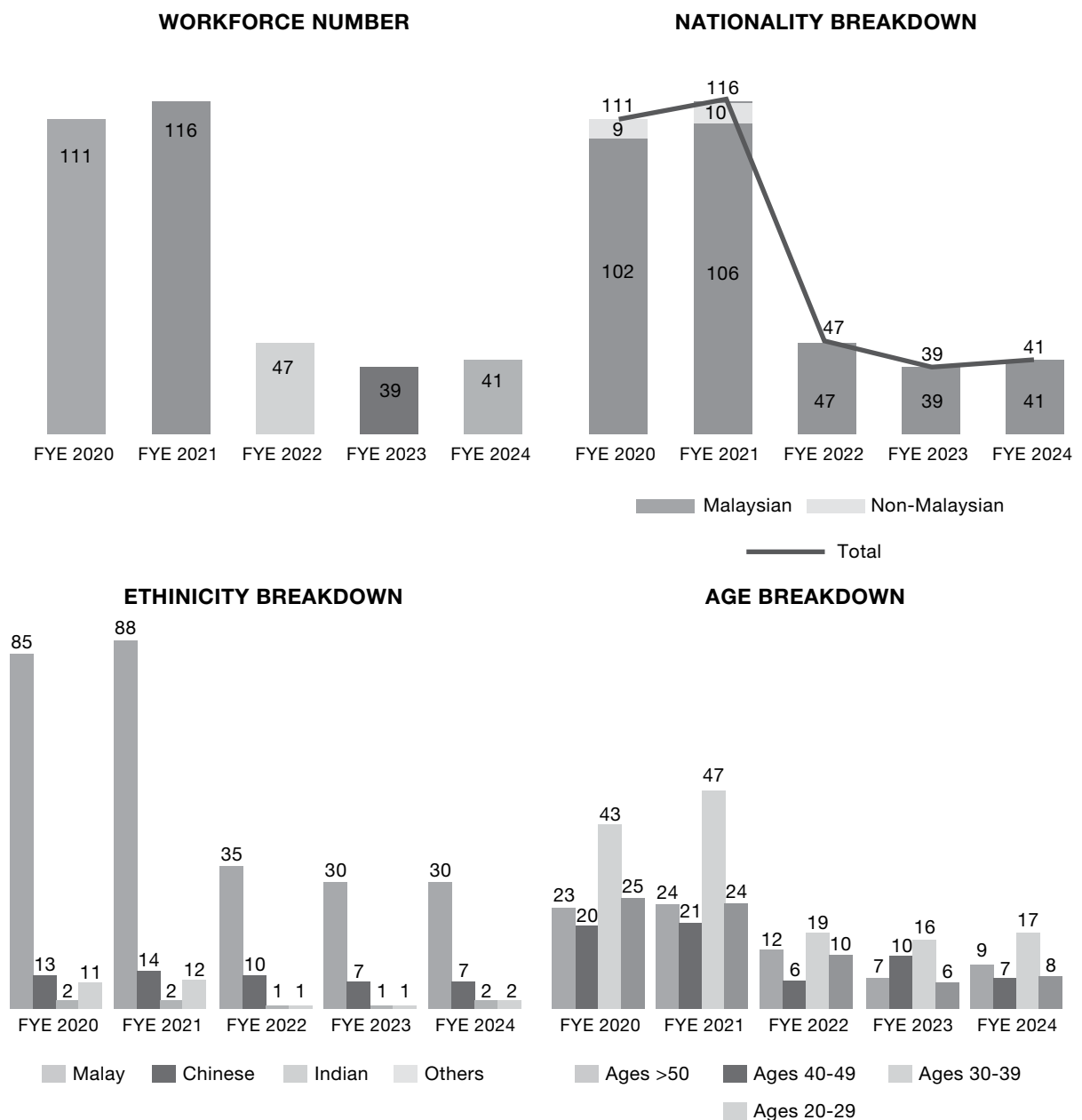
• EQUALITY AND DIVERSITY

ENRA believes in diversity and values the benefits that diversity can bring to its employees and the Board. Diversity promotes the inclusion of different perspectives and ideas, mitigates against group think and ensure that ENRA has the opportunity to benefit from all available talent. The promotion of a diverse workforce and Board makes prudent business sense and makes for better corporate governance.

ENRA's Diversity Policy highlight the Group's commitment to cultivating and promoting workplace diversity while fostering a secure and inclusive environment Right from hiring practices to job-related decisions, practices are strictly merit-based. The Group refrains from discrimination based on any attribute, such as gender, age, ethnicity, sexual orientation, religion, or disability. Moreover, the policy enforces a zero-tolerance approach towards discrimination, bullying, or harassment in any form. In the event of such incidents, prompt and decisive action will be taken.

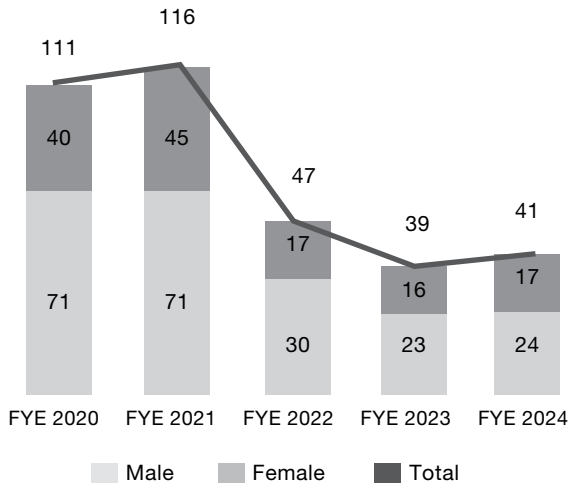
I. Workforce Compositions

ENRA's workforce compositions are as follows:

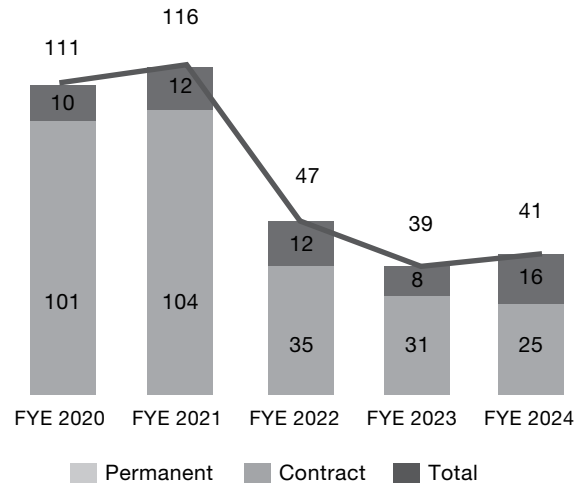


Sustainability Report (Cont'd)

GENDER BREAKDOWN



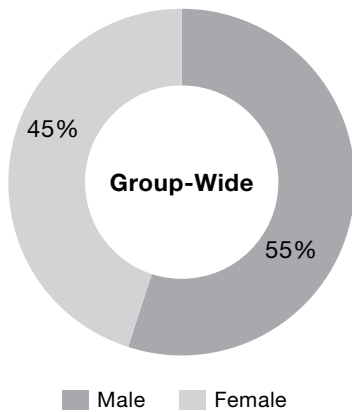
PERMANENT VS CONTRACT



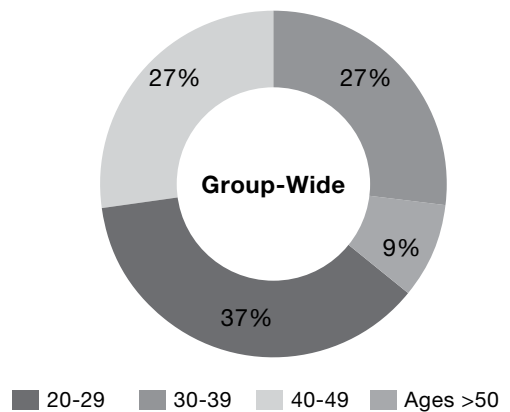
II. Hiring & Turnover

ENRA's commitment to fair recruitment practices is demonstrated through the creation of employment opportunities encompassing both technical and non-technical positions at different levels within the organisational hierarchy. These roles range from entry-level positions to managerial responsibilities. The selection criteria prioritise individuals based on their abilities and personal qualities, with a clear stance against discrimination related to nationality, gender, age, ethnicity, or other attributes, including the universities from which candidates graduated. The hiring composition for FYE 2024 is as follows:

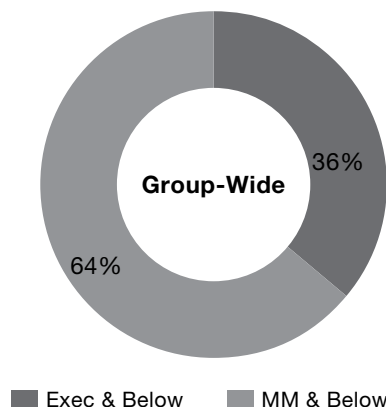
NEW JOINER BY GENDER



NEW JOINER BY AGE



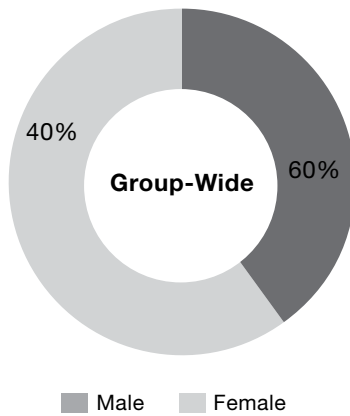
NEW JOINER BY POSITION



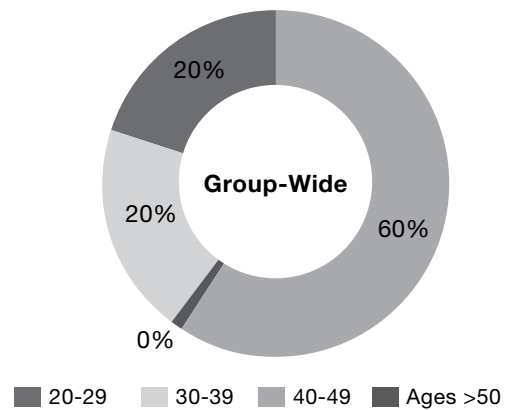
Sustainability Report (Cont'd)

ENRA is actively addressing the challenge of reducing turnover rates by focusing on retaining skilled employees. In the current dynamic job market, job mobility is increasing, especially among the younger workforce. To counter this trend, the company is developing attractive compensation packages that encompass competitive salaries, job benefits, and opportunities for skill enhancement. Additionally, ENRA is committed to maintaining a positive work environment, safeguarding employee rights, and fostering a shared organisational culture and values. The turnover composition for FYE 2024 is as follows:

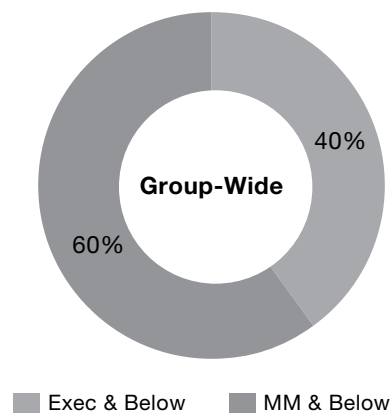
TURNOVER BY GENDER



TURNOVER BY AGE



TURNOVER BY POSITION



Sustainability Report (Cont'd)

• REMUNERATION AND BENEFITS

I. Remuneration

In demonstrating its commitment to fair and competitive remuneration, ENRA consistently adheres to local minimum salary recommendations within the Group. A dedicated effort is made to ensure fairness and equity in compensating and rewarding employees, considering key factors such as position, tenure, and skills, without regard to race, ethnicity, or gender. Furthermore, the Group remains resolute in aligning employee compensation with market rates for their roles, experience, and performance. Continuous benchmarking against industry peers is undertaken to sustain and enhance competitive pay levels. The processing of employees' remuneration is managed by the Human Capital Department through the internal Ignite Software by BoardRoom.

Noteworthy in the pursuit of workplace gender equality, the Group actively demonstrates a dedication to achieving fair pay parity between women and men across all employee categories.

The following table shows the ratios of average salaries by level for the whole group:

Description	Level			
	Non-Executive	Executive	Middle Management	Senior Management
Group-wide	0.96	0.99	0.89	1.06

Compa-ratio calculation: Divide the employee's salary by the market rate compensation midpoint (ex: employee salary ÷ pay range midpoint).

II. Wellbeing and Benefits

ENRA ensures its employees enjoy a comprehensive package of both monetary and non-monetary benefits. This inclusive offering encompasses various types of paid leave, universal health and medical care, as well as additional perks like travel, parking and mobile phone allowances. The distribution of benefits is aligned with employees' tenure and positions within the Group. Additionally, these benefits are regularly evaluated in accordance with industry best practices. All employees within ENRA including contract staff are entitled to these provided benefits.

<p><u>Leave Benefits</u></p> <ul style="list-style-type: none"> • Annual • Medical • Hospitalisation • Emergency • Maternity • Paternity • Marriage • Compassionate • Haj • Examination • Replacement • Prolonged Illness • Quarantine Leave 	<p><u>Medical Benefits</u></p> <ul style="list-style-type: none"> • Group Hospitalisation and Surgical (GHS) Insurance. • Group Personal Accident (GPA) • Group Term Life (GTL) Insurance • Medical Outpatient • Dental • Influenza Vaccination
<p><u>Contribution Benefits</u></p> <ul style="list-style-type: none"> • 13% EPF • Additional 2% EPF upon completion of 5 years of service. • SOCSO • EIS 	<p><u>Other Benefits</u></p> <ul style="list-style-type: none"> • Training and Education Refund Plan • Professional Association Membership • Long Service Award • Maternity/Paternity Benefits • Compassionate Benefits • Relocation Allowance • Business Travel Allowance • Travel Accommodation • Transportation Claims • Parking Incentive • Mobile Phone Allowance

Sustainability Report (Cont'd)

OCCUPATIONAL HEALTH & SAFETY

Given ENRA's involvement in the energy services, property development, and MRO services industries, Occupational Safety & Health (OSH) stands out as a key topic to the Group. The potential compromise of OSH standards for the sake of convenience, financial gain, or commercial interests poses a significant risk, as it may lead to major safety incidents across the Group's assets. Such incidents could result in severe consequences, including injuries, loss of life, asset or environmental damage, and substantial financial and reputational impacts. Therefore, the Group maintains a firm commitment to prioritising the health and safety of employees, contractors, and visitors as its utmost concern.

ENRA has established a comprehensive group-wide QHSE Policy and an HSEMS. The objective is to establish and maintain safe and secure working conditions for all stakeholders consistently. The QHSE Policy applies to all employees, on-site workers, and contractors within the organisation.

The QHSE Policy underscores general HSE commitment to:

- Adhering to and complying with all HSE statutory requirements within area of operation
- Providing quality and reliable services to meet the customer satisfaction
- Efficiently utilising natural resources, minimising environmental pollution, and consistently adopting sound environmental protection practices.
- Mitigating the consequences of all types of incidents or accidents that could potentially harm personnel, assets, or the environment.
- Cultivating a positive QHSE culture throughout the company through effective communication and training.

ENRA has put in place various supporting guidelines and procedures to address technical OSH matters. These include guidelines on HSE Risk Management, HSE Regulatory Compliance Guidelines, Incident and Accident Notification, Investigation & Reporting, Contractor HSE Management Guidelines, HSE Assurance Guidelines, and more. The Group remains committed to ongoing improvements in its QHSE management system to attain the highest level of effectiveness in its processes.

• **HSE PROGRAMMES AND TRAINING**

ENRA ensures that appropriate personnel receive HSE training throughout the year on an annual basis. Proper personal protection equipment (PPE) usage, handling, storage, and disposal of scheduled waste, firefighting training, and fire drills are all part of the training provided.

In the case of Ratu ENRA, given the inherent nature of its operations in an offshore field as a storage tanker, the operations team strictly adheres to the requirements set by the Field Operator and the Local Marine Department for all crew members, in addition to the basic standard requirements from Marine Standards.

With these additional guidelines, all crew will have to undergo an additional Medical Health Check with the highest standard 'Offshore Medical' practice, examined only by the Approved Medical Examiner (AME), in accordance with Oil & Gas UK (OGUK) or PETRONAS Standards. The AME will then decide whether the respective crew member is 'Fit for Offshore' or 'Unfit for Offshore' prior to mobilisation to Ratu ENRA, based on all the strict tests and examinations. Without the 'Fit for Offshore' notation, the respective personnel won't be allowed to join and sign on to the Ratu ENRA as International Maritime Organisation (IMO) crew.

In summary, every single crew member will undergo a total of three different Medical Health Checks to confirm their wellness prior to mobilisation and signing on to the ship. This practice is prudent to ensure that all crew members are physically fit for their roles and responsibilities while on duty on the ship.

In addition to the Medical Health Checks mentioned above, all crew onboard the Ratu Enra will also have to attend and complete additional training to allow them to mobilise and work offshore onboard the Ratu Enra. The first training will be the Basic Offshore Safety Induction and Emergency Training (BOSIET), which prepares all personnel for various situations and emergencies offshore.

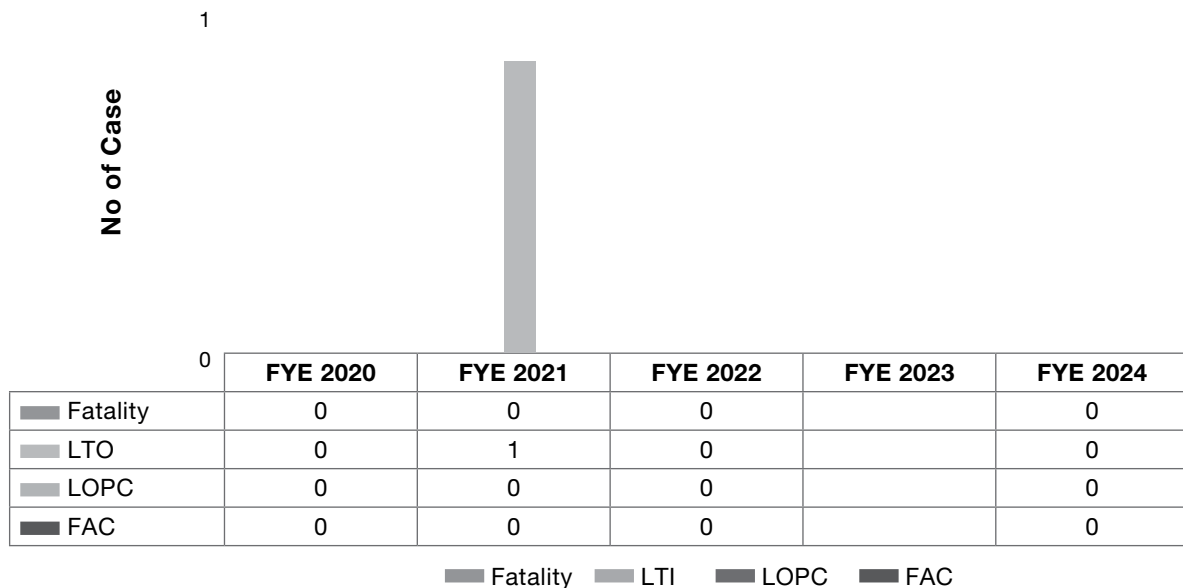
In addition to the BOSIET Training, every crew member will also have to undergo training on the Compressed Air-Emergency Breathing System (CA-EBS), which allows them to mobilise and demobilise via helicopter provided by the Field Operator.

Sustainability Report (Cont'd)

• HSE PERFORMANCE

To consistently enhance the Group's overall OHS performance, the HSE performance undergoes continuous analysis against predetermined OSH targets and pertinent industry benchmarks. The Group has set a paramount objective of achieving zero fatalities. This goal for both employees and contractors was successfully attained in FYE 2022 and reiterated in FYE 2023. Once more, the Group has accomplished the zero fatalities target in this financial year.

HSE PERFORMANCE DATA



LTI - Loss Time Injury
 LOPC - Loss of Primary Containment
 FAC - First Aid Case

TALENT DEVELOPMENT

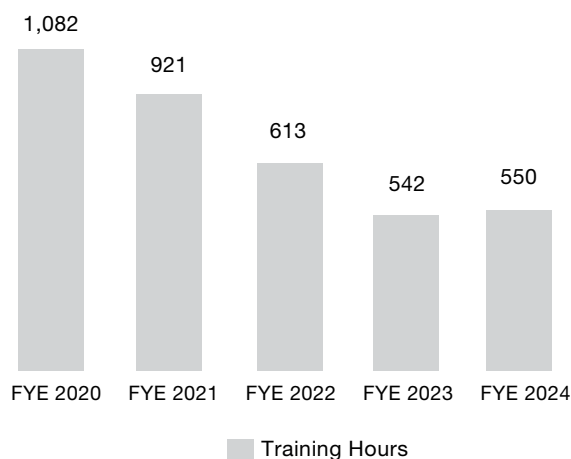
ENRA recognises that the greatest asset of the Group is its people. In the spirit of fostering growth, innovation, and sustainability, the Group's commitment to talent development is at the forefront of ENRA's organisational strategy. The Group aims not only to enhance individual skills but to cultivate a workforce that thrives in an environment of collaboration and adaptability. ENRA's journey in talent development is not just about elevating careers; it is about cultivating a community of empowered professionals dedicated to driving positive change within the organisation and beyond.

• EMPLOYEE TRAINING

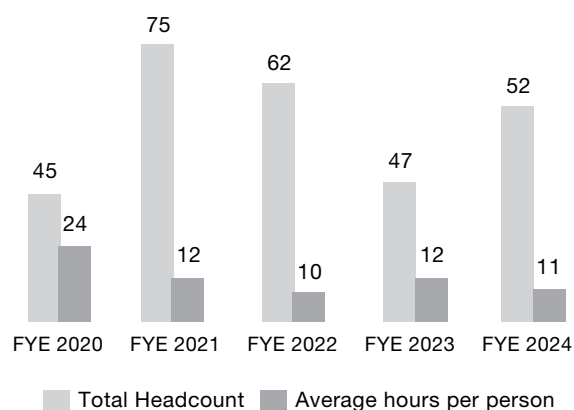
Within the Group, employees have access to internal and external training opportunities aimed at elevating their skills and knowledge within their designated roles. The Group recognises its dedicated HR personnel as crucial in delivering training, orientation, and various activities across its divisions. To uphold a commitment to continual improvement and professional growth, employees engage in collaborative discussions with their reporting superiors during annual performance appraisals. These discussions focus on identifying skill gaps and determining the requisite training necessary to address and bridge these gaps effectively.

Sustainability Report (Cont'd)

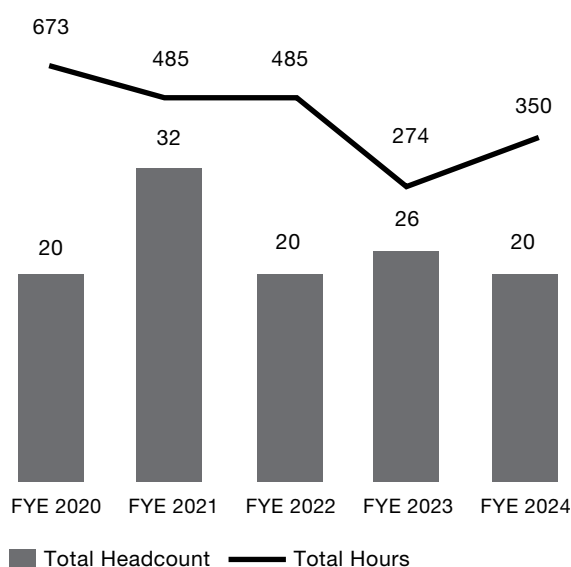
EMPLOYEE TRAINING HOURS



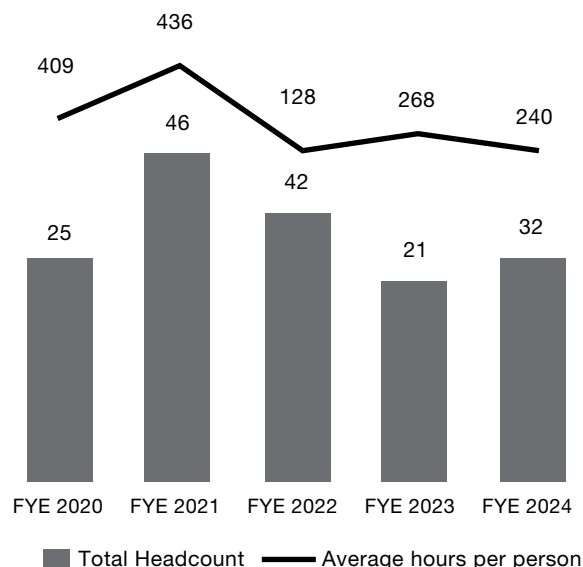
HEADCOUNT ATTENDED VS AVERAGE HOURS



TRAINING ATTENDED BY MIDDLE MANAGEMENT & ABOVE



TRAINING ATTENDED BY EXECUTIVE & BELOW



• EMPLOYEE PERFORMANCE APPRAISAL

The Group believes that the success of the organisation is intricately linked to the continuous growth and development of its employees. As such, a Performance Appraisal System (“PAS”) has been established with the aim of fostering a culture of excellence, transparency, and continuous improvement. In FYE 2024, ENRA continues its practice of conducting annual performance appraisals for all confirmed employees. This structured process involves a self-assessment component and evaluations from immediate superiors or managers.

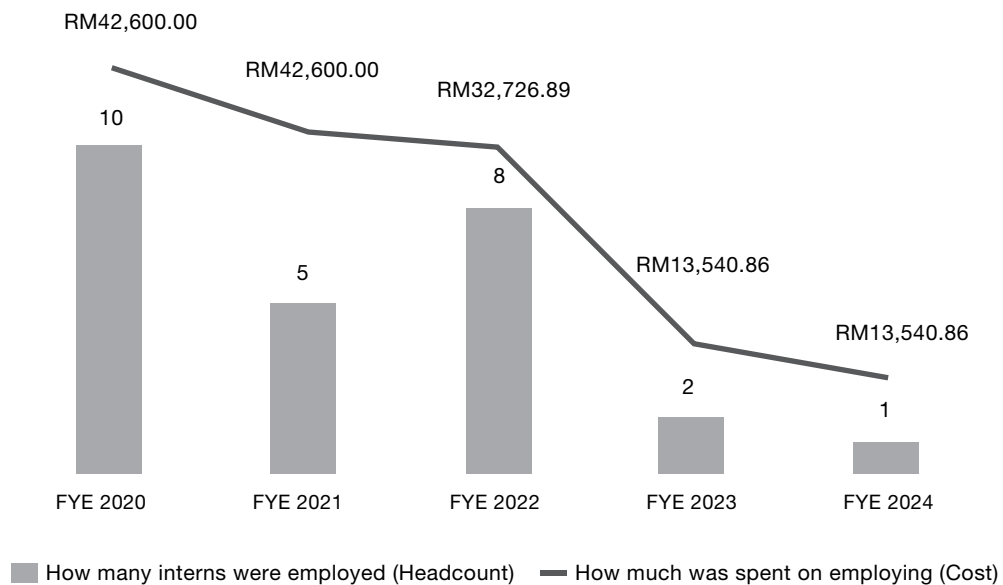
The appraisals are based on employees’ achievements of individual key performance indicators (“KPIs”) and 10 core behavioural values that align with ENRA’s fundamental business objectives and goals. The results of this appraisal will be used by management to measure employees’ opportunities for a pay increase, bonus, or job promotion, among other considerations.

Sustainability Report (Cont'd)

• INTERNSHIP PROGRAMME

The Internship Programme is strategically structured to provide undergraduate students with practical experiences that align with their academic backgrounds for a duration specified by their academic institutions. ENRA is committed to assisting young individuals in gaining valuable industry insights and establishing a strong foundation to launch their careers. Interns demonstrating potential may receive offers for contract or permanent employment opportunities within the Group.

The number of interns accepted and the annual amount spent on internship are as indicated below:



• KNOWLEDGE SHARING SESSION

This session entails employees sharing their specialised knowledge in a specific area with their colleagues. It can cover a range of topics, including various skills, experiences, or expertise. Typically, the focus is on work-related matters, such as one's job function or the sharing of skills beneficial to all, such as presentation skills. These sessions are conducted in a relaxed and informal setting, fostering not only the sharing of knowledge and skills but also enhancing camaraderie, mutual respect, and acceptance among employees. Importantly, these knowledge-sharing sessions contribute to internal development initiatives and serve as a method for coaching and mentoring.

Since the programme's introduction in FYE 2023, the following knowledge-sharing sessions have been conducted:

- I. Internal Knowledge Sharing Session - HCA Department
- II. Internal Knowledge Sharing Session - QHSE Department
- III. internal Knowledge Sharing Session - IT Department
- IV. internal Knowledge Sharing Session - GCG Department



Sustainability Report (Cont'd)

• EMPLOYEE ENGAGEMENT ACTIVITIES

At ENRA, the commitment to fostering a positive workplace culture extends to a variety of thoughtfully organised, non-work-related activities. These include festive celebrations, sports events, social gatherings, health talks, and more. Pursuing dual objectives, the initiatives aim to enhance camaraderie and team cohesion by creating opportunities for team members to interact informally. Additionally, the engagement activities serve as a platform for celebrating diversity and inclusivity, exemplifying the Group's commitment to creating an environment where every employee feels valued and included. Beyond the social benefits, these initiatives significantly contribute to boosting employee morale, job satisfaction, and overall well-being.

In FYE 2024, the Group organised a variety of activities for its employees which included:

List of Programmes

- Teambuilding
- French Class
- Solat Hajat
- Ramadhan Buka Puasa
- Festive Celebration- Raya & CNY
- Badminton
- Pool
- Mini Golf
- BBQ
- Lunch gathering
- Team building
- Walking Step Challenge
- Free Lunch Initiatives
- Mental Health Talk
- AIA Workwell Talk
- Insurances, Retirement Scheme Sharing Sessions



Sustainability Report (Cont'd)



Sustainability Report (Cont'd)



Sustainability Report (Cont'd)



• **COMMUNITY ENGAGEMENT ACTIVITIES**

List of Programmes

- Beach Cleaning



AUDIT, RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE REPORT

The Board is pleased to present the Audit, Risk Management and Sustainability Committee report for the financial year ended 31 March 2024 in accordance with Paragraph 15.15 of the Bursa Securities MMLR

COMPOSITION AND MEETING

The ARMSC comprises four (4) members, all of whom are Independent Non-Executive Directors (“NEDs”). The composition of the ARMSC complies with Paragraph 15.09(1)(a) and (b) of the MMLR and Practice 9.4 (Step-up) under Principle B of the MCCG 2021. The ARMSC’s Terms of Reference (“TOR”) requires a former partner of ENRA’s external auditors to observe a cooling-off period of at least three (3) years before being appointed as a member of the ARMSC. ENRA also complies with Practice 9.2 of the MCCG 2021 that none of the Directors were former partners of the external audit firm of the Company.

Tunku Afwida binti Tunku Abdul Malek, is a member of the Malaysian Institute of Accountants (“MIA”) and a qualified Chartered Accountant with the Institute of Chartered Accountants in England and Wales (“ICAEW”). Accordingly, ENRA complies with Paragraph 15.09(1)(c)(i) of the MMLR of Bursa Securities.

The ARMSC held five (5) meetings during FYE 2024. The meetings were properly structured through the use of agendas which were distributed to members with sufficient notice (at least seven days before the meeting). All meetings were attended by the President & Group Chief Executive Officer, the Executive Director, and the Group Chief Financial Officer to facilitate direct communication and provide clarification on audit and internal control issues, as well as to report the Group’s financial performance. The head of internal audit attended all the meetings to present the quarterly internal audit and risk management reports. The external auditors, Messrs. BDO PLT (“BDO”) attended three (3) of these meetings at the invitation of the ARMSC to present the audit planning memorandum, annual audit findings, draft audited financial statements, and financial matters for the financial year 2024.

Minutes of each ARMSC meeting were recorded and tabled for confirmation at the following ARMSC meeting and subsequently presented to the Board for notation. The Chairman of the ARMSC reported the ARMSC’s recommendations and remedial actions (if any) to the Board for its consideration and implementation. Matters of significant concern and audit issues as and when raised by the external auditors or internal auditors were highlighted to the Board at its immediate subsequent meeting.

Private sessions with the external auditors were held twice a year, without the presence of members of management, whilst private sessions with the Group Internal Audit (“GIA”) was conducted at least once a year and when necessary. The ARMSC had constantly engaged with the external auditors and the head of internal audit to keep abreast with the key audit issues and audit concerns affecting the Company.

The details of the attendance of the ARMSC members are as follow:

Name	Membership	Attendance (Attended / meeting held)
Tan Sri Dato’ Seri Shamsul Azhar bin Abbas	Chairman <i>Senior Independent Non-Executive Director</i>	5/5
Dato’ Wee Yiau Hin	Member <i>Independent Non-Executive Director</i>	4/5
Tunku Afwida binti Tunku Abdul Malek	Member <i>Independent Non-Executive Director</i>	5/5
Loh Chen Yook	Member <i>Independent Non-Executive Director</i>	5/5

Audit, Risk Management and Sustainability Committee Report (Cont'd)

COMPOSITION AND MEETING (CONT'D)

The Board evaluated the ARMSC and its members' performance through an annual Board Committee effectiveness evaluation. The Board is satisfied that the ARMSC and its members have effectively discharged their functions, duties, and responsibilities in accordance with the ARMSC's TOR. The TOR of the ARMSC is available on the Company's website at www.enra.my.

The ARMSC also assessed the head of GIA and the effectiveness of the GIA function, as well as the performance and independence of external auditors, which will then be recommended to the Board. Based on the assessment, the Board is satisfied with the overall performance of the GIA function as well as the performance and independence of the external auditors.

SUMMARY OF WORK PERFORMED

The ARMSC's main scope of works for the FYE 2024 are summarised as follows:

Financial Reporting

The ARMSC reviewed the unaudited financial statements of the Group prior to making the recommendations to the Board for approval as follows:

Date of Meeting	Reviewed of Unaudited Quarterly Financial Statements / Audited Financial Statements
17 May 2023	Fourth Quarter ended March 2023
21 June 2023	Audited Financial Statements of the Group and the Company for the FYE 2023
24 August 2023	First Quarter ended June 2023
28 November 2023	Second Quarter ended September 2023
22 February 2024	Third Quarter ended December 2023

- a) The review including its related Bursa Securities' announcements, focusing particularly on:
 - The overall performance and prospect of ENRA Group;
 - Any changes and implementation of major accounting policies and practices and the auditor's report highlighting the key audit matters and the implication on ENRA Group;
 - Compliance with accounting standards and other legal requirements; and
 - Significant accounting and audit issues raised by BDO in financial statements and the corresponding judgement made by Management.
- b) Discussed significant accounting and audit issues in respect of the audited financial statements with Management and BDO, the accounting treatments that were applied and their judgement of the items that affected the financial statements. The external auditors were of the opinion that the Company's audited financial statements reflected a true and fair view of the financial position of the Company and its Group and in accordance with the relevant accounting standards and regulatory requirements.

External Audit

- a) Reviewed BDO's scope of work and audit plans for the financial year to ensure sufficient coverage in terms of scope. Prior to the audit, representatives from BDO presented their audit strategy and plan. The ARMSC also met with BDO twice on 17 May 2023 and 22 February 2024 without the presence of the Executive Directors and Management. BDO were given the opportunity to raise any matters of concern arising from their audit work. No major concerns were highlighted and BDO had also confirmed that they had received full cooperation from Management and unrestricted access to the Group's records.

Audit, Risk Management and Sustainability Committee Report (Cont'd)

SUMMARY OF WORK PERFORMED (CONT'D)

External Audit (Cont'd)

- b) Reviewed with BDO the results of the audit, the audit report and the management letter, including Management's responses to the audit findings.
- c) Considered the audit fees payable to the external auditors against the size and complexity of the Group before recommending for Board's approval.
- d) Reviewed the independence, objectivity and suitability of the external auditors and services provided, including non-audit services. Details on the non-audit fees incurred for services rendered by the external auditors and its affiliates for FYE 2024 are disclosed in the Additional Compliance Statement on page 89.
- e) Based on the satisfaction on the annual review of the performance of the external auditors, the ARMSC recommended to the Board the re-appointment of the external auditors to be proposed for shareholders' approval at the 31st AGM. The shareholders at the 31st AGM approved the re-appointment of BDO for FYE 2024.

Internal Audit

- a) The ARMSC had on 22 February 2024, approved the Internal Audit Plan for financial year ending 31 March 2025. The Audit Plan was developed using a risk-based audit methodology where entities and processes were selected for audit based on risk assessments carried out periodically by the Internal Auditors.
- b) Conducted annual assessment of GIA function and head of GIA. The ARMSC reviewed the adequacy of the GIA department's resource requirements, programmes and the GIA department's competency, performance and staff composition. Generally, the ARMSC was satisfied that the GIA function met the expectations.
- c) The ARMSC had also met with the head of GIA on 22 February 2024 without the presence of the Executive Directors and Management to ensure there were no restrictions on the scope of GIA's audit. The head of GIA were given the opportunity to raise any matters of concern arising from their IA's work.
- d) Reviewed and deliberated the internal audit reports that highlighted audit issues, major findings, audit recommendations and Management's responses. The ARMSC also reviewed the status of implementation of corrective measures taken by Management to ensure appropriate remedial actions were taken on a timely basis to address all areas of risk and internal control issues.

Compliance and others

- a) Reviewed the related party transaction and recurrent related party transactions of revenue or trading nature entered into by the Group presented by Management at the quarterly ARMSC meeting, to ensure that these transactions were undertaken in the Company's best interest and not detriment to the minority shareholders interest and were done under fair and reasonable grounds and normal commercial terms.
- b) Reviewed the Corporate Governance Overview Statement, ARMSC Report, Statement on Risk Management and Internal Control and Sustainability Report, pursuant to the MMLR and the MCCG 2021 and recommended the same to the Board for approval.
- c) Reviewed the half-yearly report on the status of compliance of the Group's Code of Business Conduct to ensure any non-compliance was properly investigated.
- d) Received quarterly reports on whistleblowing issues to ensure actions were taken on any cases reported. No whistleblowing cases were reported during the financial year under review.
- e) Reviewed and deliberated the corporate governance compliance of the Company and areas for improvement.
- f) Reviewed and received the sustainability governance status report at the quarterly ARMSC meeting and ensuring the Company's reporting on environmental, social, and governance ("ESG") was in line with MMLR and the SC's guidelines.
- g) Revised the TOR of the ARMSC to expand the scope of the ARMSC's review on conflict of interest ("COI") or potential COI situations as well as the measures taken to eliminate such situations and the disclosure requirements pursuant to the MMLR.

Audit, Risk Management and Sustainability Committee Report (Cont'd)

GROUP INTERNAL AUDIT FUNCTION

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

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

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

The IA team which is headed by Mr. Melvinder Singh Harminder Singh ("Mr. Melvinder Singh"), Group Head of Compliance & Governance, who is a Chartered Member of the Institute of Internal Auditors Malaysia with more than 20 years of experience in internal auditing. Mr. Melvinder Singh and his team independently reviews the key business processes, and reports to the ARMSC on a quarterly basis. The ARMSC reviews and evaluates the key audit issues raised by the IA team and ensures that appropriate and prompt remedial action is taken by Management.

During the financial year, the IA team prepared and presented an annual audit review schedule which outlines the key business processes of the MRO, property development and energy services divisions and the Group's governance process, ESG efforts and policy. The ARMSC had reviewed and approved the schedule with the mandate in assessing the adequacy and effectiveness of the Group's internal control system.

In line with the approved annual review schedule by the ARMSC, the IA team completed 2 routine audits and one follow-up audit, monitored the ESG's development progress included material topics assessment, stakeholder engagement exercise, alignment of ESG target in appraisal system, training and performance data collection. The area of coverage is aligned with the Group's Risk Management assessment covering Finance, Human Resource, Operations, Procurement, Inventory, General IT, Sales, Marketing, Fraud Assessment and Project Management.

The costs incurred for the internal audit function in respect of FYE 2024 amounted to RM362,533.86. (2023: RM411,854.60)

This ARMSC report is made in accordance with the resolution of the Board duly passed on 20 June 2024.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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

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

BOARD RESPONSIBILITY

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

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

RISK MANAGEMENT

The Board reviewed the risk management processes in place within the Group with the assistance of the Executive Risk Management Committee ("ERMC") and the Internal Audit Department.

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

- The ERMC, which is chaired by the President & Group Chief Executive Officer, and comprises the Executive Directors as members and the Head of Internal Audit as the risk coordinator. The ERMC is entrusted with the terms of reference and the responsibility to identify and communicate to the Board the key risks the Group faces, their changes, and Management's actions and plans to manage such risks.
- The Risk Management policy guide and manual, which outlines the corporate policy and framework on risk management for the Group and offers practical guidance on risk management issues. Pursuant to the said policy, the Risk Management Units ("RMUs") at the subsidiary/operational level were set up to report quarterly to the ERMC.

Statement On Risk Management And Internal Control (Cont'd)

RISK MANAGEMENT (CONT'D)

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

- The Enterprise Risk Management ("ERM") framework, which is defined as methods and processes used by an organisation to manage risks and seize opportunities related to the achievement of their objectives. The key feature of this framework is a risk governance structure comprising three lines of defence with established and clear functional responsibilities and accountabilities of the management of risk.

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

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

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

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

Management of Significant Risks

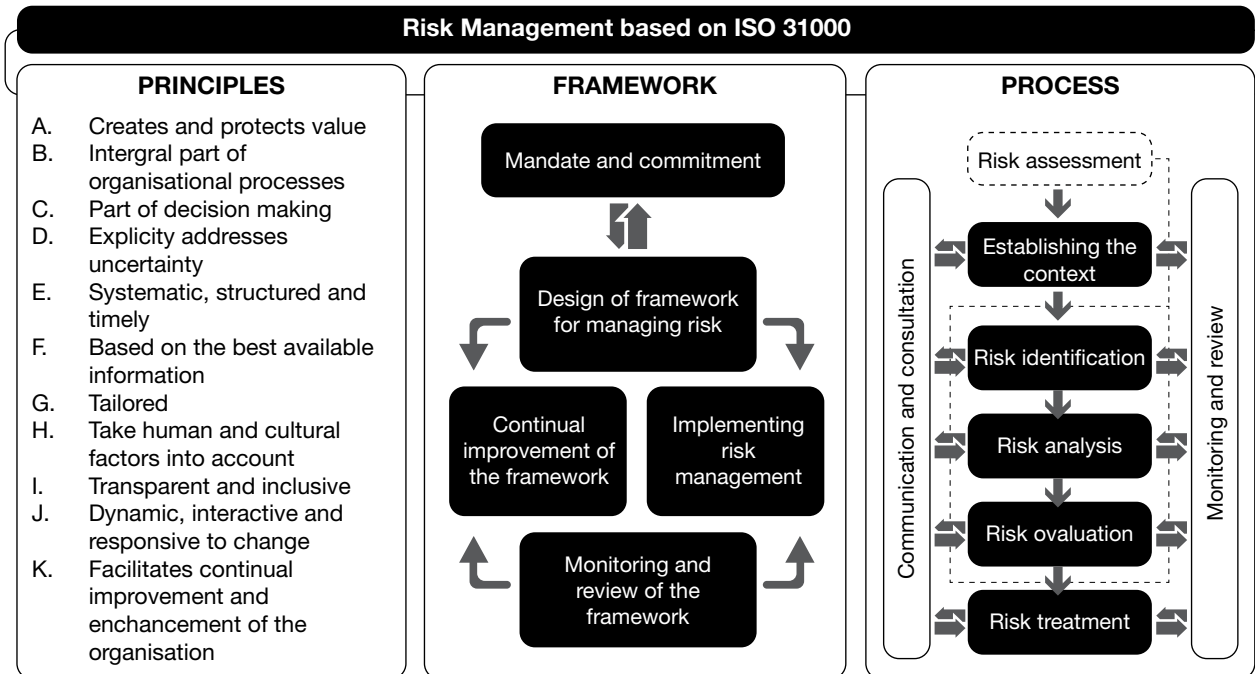
The management of significant risks identified for FYE 2024 are as follows:

1. Strategic Management Risk in managing the expansion of business portfolio. Expanding the business database through diversification, expansion, education & transfer of knowledge in this ever challenging & changing environment. The Group managed this risk through managing customer and main contractor expectations for Q Homes, EES & ESPM for the GPM project.
2. Environmental Risk exist as we operate within both the oil & gas and property development industries/ segments which are exposed to compliance risk of laws and regulations including those relating to health, safety, environment, and compliance with the various certifications required for those industries. We currently have various preventive maintenance programs through Quality, Health, Safety and Environment daily & weekly monitoring for ESPM, periodic reviews of compliance with the applicable rules, regulations, and standards with the regulators for the other projects, training and development, and processes for risk assessment and monitoring.
3. Project Completion Risk, as the Group has businesses locally and is exposed to various risks relating to delay and price changing in procuring materials, project management risks, occupational health and safety risk, political risk, credit risk, foreign exchange risk, sub-contractor's financial management, payment issuance and communication barriers. The Group has embarked on a more stringent role in terms of monitoring projects locally such as appointing key people as project managers and regular monitoring, liaising with Legal firms on the terms of contracts and reporting on project progress to the Monthly Performance Report.

Statement On Risk Management And Internal Control (Cont'd)

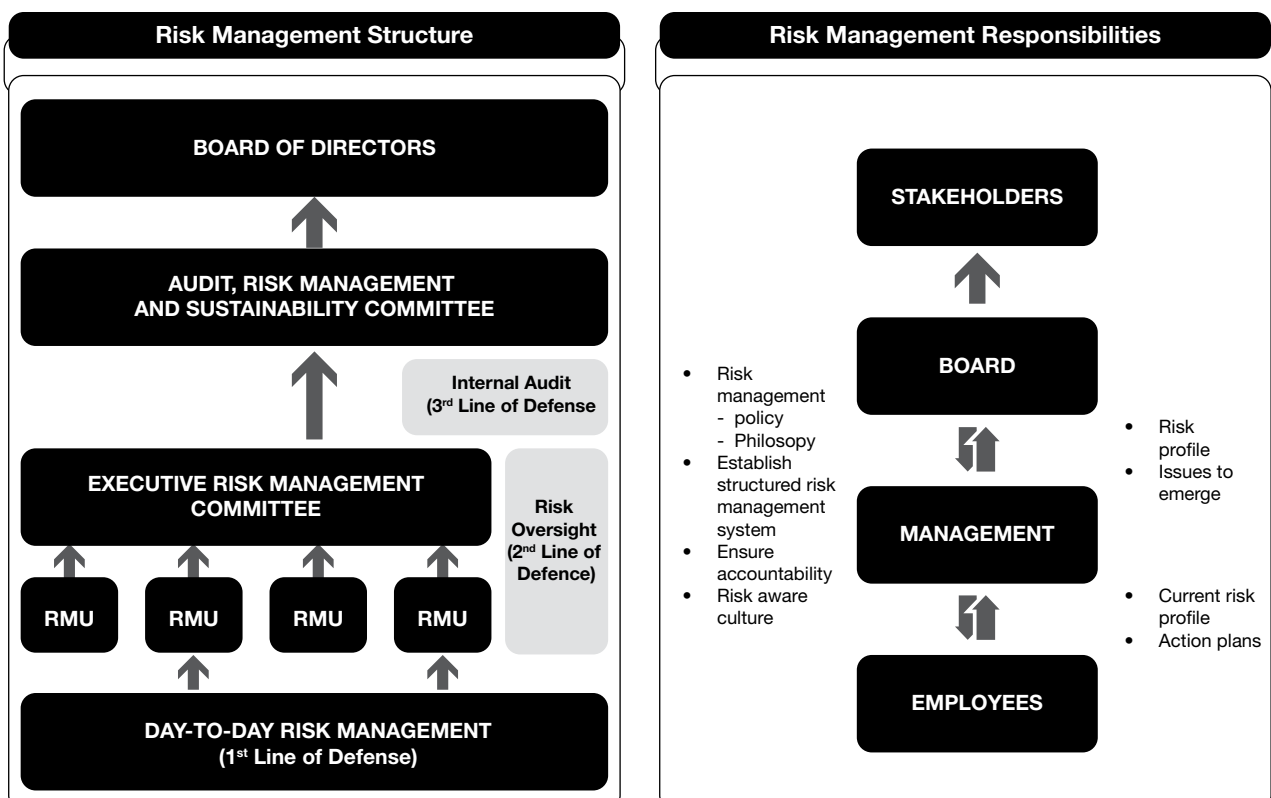
RISK MANAGEMENT (CONT'D)

Management of Significant Risks (Cont'd)



RISK MANAGEMENT STRUCTURE

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



Statement On Risk Management And Internal Control (Cont'd)

INTERNAL AUDIT FUNCTION

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

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

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

The Internal Audit team is headed by Mr. Melvinder Singh Harminster Singh, Group Head of Compliance & Governance, who is a Chartered Member of the Institute of Internal Auditors Malaysia with more than 20 years of experience in internal auditing. Mr. Melvinder and his team independently reviews the key business processes, and reports to the ARMSC on a quarterly basis. The ARMSC reviews and evaluates the key audit issues raised by the Internal Audit function and ensures that appropriate and prompt remedial action is taken by the Management. During FYE 2024, the Internal Audit function prepared and presented an annual audit review schedule to the ARMSC. This annual schedule outlines the key business processes of the Group’s governance process, ESG efforts and policy, property development subsidiaries as well as oil & gas services. The ARMSC had reviewed and approved the schedule providing the Internal Audit team with the mandate in assessing the adequacy and effectiveness of the Group’s internal control system.

The Internal Audit team completed a holistic Corporate Governance Review of ENRA Group with reference to the MCCG 2021, ESG updates and reporting in line with the MMLR as a guideline, a routine audit of the oil and gas division and the property division and a follow-up audit, and assessment on the code of business conduct in accordance with the ARMSC’s approved annual review schedule. The area of coverage is aligned with the Group’s Risk Management assessment covering Finance, Human Resource, Operations, Procurement, Inventory, General IT, Sales, Marketing, Fraud Assessment and Project Management.

CONTROL ENVIRONMENT AND STRUCTURE

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



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

Statement On Risk Management And Internal Control (Cont'd)

CONTROL ENVIRONMENT AND STRUCTURE (CONT'D)

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

CODE OF BUSINESS ETHICS SIGN OFF BY EMPLOYEES AND EXCO

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

GROUP VENDOR CODE OF CONDUCT

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

WHISTLEBLOWING POLICY

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

Statement On Risk Management And Internal Control (Cont'd)

ANTI CORRUPTION POLICY

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

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

The external auditors have performed limited assurance procedures on this Statement of Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide (AAPG 3), Guidance for Auditors on Engagement and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants for inclusion in the Annual Report of the Group for FYE 2024, and reported to the Board that nothing has come to their attention that caused them to believe the statement intended to be included in the Annual Report is not prepared in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the said Guidelines, nor is the Statement of Risk Management and Internal Control factually inaccurate.

BOARD ASSURANCE

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

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

This Statement on Risk Management and Internal Control is made in accordance with a resolution of the Board duly passed on 20 June 2024.

ADDITIONAL COMPLIANCE INFORMATION

1. STATUS OF CORPORATE PROPOSALS AND UTILISATION OF PROCEEDS

Private Placement and Utilisation of Proceeds

On 5 July 2024, the Company completed the Private Placement of 13,491,800 ordinary shares at an issue price of RM0.65 per placement share. The Company raised RM8.769 million in proceeds from this placement exercise. The proceeds from this exercise were utilised to part finance the special survey of its oil/chemical tanker, Ratu ENRA.

The details of the utilisation of the proceeds as at 12 July 2024 are as follows:

Utilization of proceeds	Intended timeframe for utilisation*	Proposed utilisation (RM)	Actual utilisation# (RM)	(Over)/ unutilised amounts (RM)
Special survey of the oil/ chemical tanker	Within 1 month	8,660,457.48	5,076,443.38	3,584,014.10
Estimated expenses for the Proposed Private Placement	Within 1 month	109,212.52	120,012.52	(10,800.00)
Total		8,769,670.00	5,196,455.90	3,573,214.10

Notes:

* From 5 July 2024 (being the date of completion of the Private Placement).

from 5 July 2024 to 12 July 2024.

2. AUDIT AND NON-AUDIT FEES

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

	Group RM'000	Company RM'000
Statutory Audit Fees:		
By the Company's auditors	261	60
Non-Audit Fees:		
By the Company's auditors	18	6
By affiliated company of the Company's auditors (tax-related)	78	18
	96	24
Total	357	84

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

Additional Compliance Information (Cont'd)

3. MATERIAL CONTRACTS INVOLVING INTERESTS OF THE DIRECTORS OR MAJOR SHAREHOLDERS OF THE COMPANY

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

4. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

All recurrent related party transactions ("RRPTs") are dealt with in accordance with the Bursa Securities MMLR and a summary of RRPT is tabled for ARMSC's review and monitoring on a quarterly basis.

All relevant processes and procedures are for ensuring that all related party transactions are monitored and conducted in a manner that is fair and at arms' length. The Directors and Major Shareholders who have interests in a transaction will abstain from deliberation and voting on said transaction at Board meetings and general meetings, if required.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

IN RELATION TO THE AUDITED FINANCIAL STATEMENTS

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

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

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

This Statement is made in accordance with the resolution of the Board dated 20 June 2024.

what's **INSIDE**

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DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2024.

PRINCIPAL ACTIVITIES

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

The principal activities of the subsidiaries are mainly property development and trading, investment holding, provision of project management of engineering, procurement, construction and commissioning and decommissioning for multi-discipline in oil & gas industries, provision of upstream and midstream infrastructure technology solution to the oil and gas industry, leasing and provision of related services, business of engineering, procurement and construction of civil works, steel structure, mechanical, piping and electrical and instrumental installation and provision of maritime services and marine engineering related businesses. Further details of the subsidiaries are disclosed in Note 6 to the financial statements.

There have been no significant changes in the nature of the activities of the Company and its subsidiaries other than the newly additional principal activities of provision of engineering design, fabrication & construction, installation, leasing and refurbishment of single point mooring systems, floating production storage & offloading (FPSO) units and floating storage & offloading (FSO) units for the oil and gas industry during the financial year.

RESULTS

	Group RM'000	Company RM'000
Loss for the financial year	(16,448)	(14,990)
<hr/>		
Attributable to:		
Equity holders of the Company	(14,877)	(14,990)
Non-controlling interests	(1,571)	-
	<hr/>	<hr/>
	(16,448)	(14,990)
	<hr/>	

DIVIDEND

No dividend has been paid, declared or proposed since the end of the previous financial year.

The Directors do not recommend the payment of any dividend in respect of the current financial year.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

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

Directors' Report (Cont'd)

TREASURY SHARES

As at 31 March 2024, the Company held 1,289,400 treasury shares at a total cost of RM1,199,000.

WARRANTS 2020/2025

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

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

Salient features of the Warrants are as follows:

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

There was no exercise of Warrant during the financial year ended 31 March 2024.

Directors' Report (Cont'd)

EMPLOYEES' SHARES SCHEME ("ESS")

In the Extraordinary General Meeting on 9 February 2018, the Shareholders have approved the ESS comprising Employees' Option Scheme ("ESOS") and Employees' Share Grant ("ESG") that came into effect on 12 February 2018 for a period of 5 years up to 12 February 2023. Subsequently, the Company has extended the duration of the ESS for another 5 years to 12 February 2028.

On 1 June 2022, the Company made an offer of 6,100,000 ESOS Option under the ESS ("1st Award") to the eligible Directors and employees of the Company and its subsidiaries (collectively as "Eligible Persons"). The ESOS Option was offered in 2 tranches with the 1st tranche of 40% comprising 2,440,000 ESOS Option with no vesting period and the 2nd tranche of 60% comprising 3,660,000 ESOS Option with a vesting period of 1 year till 31 May 2023.

The Company had subsequently on 2 January 2024 made an offer of 11,900,000 new ESOS Option ("2nd Award") for an option period of three (3) years commencing from 2 January 2024 and expiring on 1 January 2027 to the Eligible Persons.

The total number of outstanding ESOS Options granted under the ESS as at the financial year end is 17,400,000.

The main features of the ESOS are as follows:

- (a) The ESOS is made available to eligible employees and Directors (including non-executive Directors) (collectively as "Eligible Person") who are confirmed employees of the Company and its non-dormant subsidiaries as defined in the Companies Act 2016 in Malaysia, as amended from time to time, and any re-enactment thereof;
- (b) The total number of shares offered under the ESOS shall not, in aggregate, exceed 15% of the total issued ordinary shares of the Company (excluding treasury shares, if any) at any time during the existence of the ESOS;
- (c) The option price under the ESOS shall be the five-day weighted average market price of the shares as quoted on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") at the time the option is granted with a discount of not more than 10% if deemed appropriate;
- (d) The maximum number of shares, which may be offered to an Eligible Person shall be at the sole discretion of the ESS Committee after taking into consideration, amongst others, the performance, targets, position, annual appraised performance, seniority and length of service of eligible employee's position, performance and length of service of the Eligible Person, or such other matters that the ESS Committee may in its sole discretion deem fit, subject to the following:
 - (i) not more than 10% of the shares available under the ESOS shall be allocated to any individual Eligible Person who, either singly or collectively through persons connected with the Eligible Person, holds 20% or more of the issued ordinary shares of the Company (excluding treasury shares, if any).
- (e) An option granted under the ESOS may be exercised by the grantee upon achieving the vesting conditions set by the ESS Committee; and
- (f) The shares shall on issue and allotment rank pari passu in all respects with the then existing issued shares of the Company.

Directors' Report (Cont'd)

EMPLOYEES' SHARES SCHEME ("ESS") (CONT'D)

The number of options over ordinary shares under the option scheme was as follows:

Category of participants	← Number of options over ordinary shares →				
	Balance as at 1.4.2023	Granted	Forfeited*	Balance as at 31.3.2024	Exercisable as at 31.3.2024
1 st Award of ESOS Option Directors	3,500,000	-	-	3,500,000	3,500,000
Key Management Personnel [^] and Employees	2,300,000	-	(300,000)	2,000,000	2,000,000
	5,800,000	-	(300,000)	5,500,000	5,500,000
2 nd Award of ESOS Option Directors	-	7,600,000	-	7,600,000	7,600,000
Key Management Personnel [^] and Employees	-	4,300,000	-	4,300,000	4,300,000
	-	11,900,000	-	11,900,000	11,900,000
Total Directors	3,500,000	7,600,000	-	11,100,000	11,100,000
Key Management Personnel [^] and Employees	2,300,000	4,300,000	(300,000)	6,300,000	6,300,000
	5,800,000	11,900,000	(300,000)	17,400,000	17,400,000

[^] Other than Directors

* Due to resignation

Since the implementation of the ESOS, a total of 18,000,000 options had been granted to the Eligible Persons of the Group. The 1st Award of ESOS Option, totalling 6,100,000, was issued on 1 June 2022 at an exercise price of RM1.10 per option to the Eligible Persons, expiring on 31 May 2024. Out of the total of the 1st Award, 3,500,000 options were granted to the Directors of the Company.

The 2nd Award of ESOS Option, totalling 11,900,000, was issued on 2 January 2024 with an exercise price of RM0.80 per option to Eligible Persons for a 3-year period and will expire on 1 January 2027. Out of this total, 7,600,000 options were granted to the Directors of the Company.

None of the ESOS has been exercised since the implementation of the ESOS until the end of the financial year.

DIRECTORS

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

Directors of the Company

Datuk Ali bin Abdul Kadir
Tan Sri Dato' Kamaluddin bin Abdullah*
Kok Kong Chin*
Tan Sri Dato' Seri Shamsul Azhar bin Abbas*
Dato' Wee Yiau Hin @ Ong Yiau Hin
Loh Chen Yook
Tunku Afwida binti Tunku Abdul Malek

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

Directors' Report (Cont'd)

DIRECTORS (CONT'D)

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

Ahmad Zaki bin Ahmad Zainuddin	
Amir Ruqaimi bin Ngah	
Anthony Ho Yin Kan	
Arif Badawi bin Kamaluddin	
Dato' Idzham Mohd Hashim bin Zahrain Mohd Hashim	
Ikhlas bin Zainal	
Lau Lee Hoong	
Mohd Saiful Bahri bin Abdul Fatah	
Muhammad Saiful Haq bin Abdul Fatah	
Tan Sri Dato' Sri Mahamad Fathil bin Dato' Mahmood	
Chan Rong Sheng	(Appointed on 19 June 2023)
Ikhwan bin Zaidel	(Appointed on 5 December 2023)
Khaja Shaukath Ali bin Mohamed Siddique	(Appointed on 23 May 2024)
Faizul bin Zainol	(Resigned on 31 May 2023)
Abdul Ghofur bin Abdul Fatah	(Resigned on 3 November 2023)
Dato' Jasmy bin Ismail	(Resigned on 16 August 2023)
Dato' Yau Kok Seng	(Ceased on 16 August 2023)
Tam Yet Shyan	(Ceased on 16 August 2023)

Resigned during the financial year

^ Appointed during the financial year

In accordance with Clause 18.3 of the Company's Constitution, Mr. Kok Kong Chin and Mr. Loh Chen Yook shall retire from the Board of the Company at the forthcoming Annual General Meeting ("AGM") and, being eligible, offer themselves for re-election.

Directors' Report (Cont'd)

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in ordinary shares, options over ordinary shares and/or warrants of the Company and of its related corporations during the financial year ended 31 March 2024 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

	Number of ordinary shares			Balance as at 31.3.2024
	Balance as at 1.4.2023	Bought	Sold	

Shares in the Company

Direct interests

Datuk Ali bin Abdul Kadir	4,900,000	-	-	4,900,000
Tan Sri Dato' Kamaluddin bin Abdullah	5,357,629	-	(1,700,000)	3,657,629
Kok Kong Chin	3,000,000	-	-	3,000,000
Dato' Wee Yiau Hin @ Ong Yiau Hin	1,000,000	-	-	1,000,000
Loh Chen Yook	5,566,300	-	-	5,566,300

Indirect interests

Tan Sri Dato' Kamaluddin bin Abdullah	35,362,000	1,700,000	-	37,062,000
Tan Sri Dato' Seri Shamsul Azhar bin Abbas	2,000,000	-	-	2,000,000

	Number of warrants 2020/2025			Balance as at 31.3.2024
	Balance as at 1.4.2023	Bought	Sold	

Warrants in the Company

Direct interests

Datuk Ali bin Abdul Kadir	1,523,333	-	-	1,523,333
Tan Sri Dato' Kamaluddin bin Abdullah	1,785,876	-	-	1,785,876
Kok Kong Chin	1,000,000	-	-	1,000,000
Dato' Wee Yiau Hin @ Ong Yiau Hin	333,333	-	-	333,333
Loh Chen Yook	6,999,565	-	-	6,999,565

Indirect interests

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

	Number of options over ordinary shares			Balance as at 31.3.2024
	Balance as at 1.4.2023	Granted	Exercised	

Share options in the Company

Direct interests

Datuk Ali bin Abdul Kadir	500,000	1,000,000	-	1,500,000
Dato' Wee Yiau Hin	300,000	600,000	-	900,000
Loh Chen Yook	300,000	600,000	-	900,000
Tan Sri Dato' Seri Shamsul Azhar bin Abbas	400,000	800,000	-	1,200,000
Tan Sri Dato' Kamaluddin bin Abdullah	1,000,000	2,000,000	-	3,000,000
Kok Kong Chin	1,000,000	2,000,000	-	3,000,000
Tunku Afwida binti Tunku Abdul Malek	-	600,000	-	600,000

Directors' Report (Cont'd)

DIRECTORS' INTERESTS (CONT'D)

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

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than those benefits included in the aggregate amount of remuneration received or due and receivable by the Directors) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he or she is a member, or with a company in which he or she has a substantial financial interest except for any benefits which may be deemed to have arisen from related party transactions.

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

DIRECTORS' REMUNERATION

Directors' remuneration of the Group and of the Company during the financial year ended 31 March 2024 were as follows:

	Group and Company RM'000
Fees	386
Salaries	1,337
Other emoluments	687
Share option granted under ESOS	228
	2,638

INDEMNIFYING DIRECTORS, OFFICERS OR AUDITORS

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

During the financial year, the total amount insurance premium paid for the Directors and the officers of the Group and of the Company is RM25,026.

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

Directors' Report (Cont'd)

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

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

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

(III) AS AT THE DATE OF THIS REPORT

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

Directors' Report (Cont'd)

SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE REPORTING PERIOD

(a) Investment in Subsidiaries

(i) Acquisition of Hexagon SBM (Sarawak) Sdn. Bhd.

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

(ii) Incorporation of a subsidiary, Hexagon Marine Services (S) Pte. Ltd.

On 23 May 2024, HELSB, an indirect wholly owned subsidiary of the Company, incorporated a new subsidiary in Singapore known as Hexagon Marine Services (S) Pte. Ltd., 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).

(b) Proposed 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 13,491,800 Placement Shares on the Main Market of Bursa Securities on 5 July 2024.

AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

Auditors' remuneration of the Group and of the Company for the financial year ended 31 March 2024 were as follows:

	Group RM'000	Company RM'000
Statutory audit		
- BDO PLT	124	60
- Other auditors	137	-
Other services		
- BDO PLT	9	6
- Other auditors	9	-
	279	66

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

Datuk Ali bin Abdul Kadir
Director

Tan Sri Dato' Seri Shamsul Azhar bin Abbas
Director

Kuala Lumpur
12 July 2024

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

In the opinion of the Directors, the financial statements set out on pages 109 to 178 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024 and of their financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

Datuk Ali bin Abdul Kadir
Director

Tan Sri Dato' Seri Shamsul Azhar bin Abbas
Director

Kuala Lumpur
12 July 2024

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Amir Ruqaimi bin Ngah (CA 38748), being the Officer primarily responsible for the financial management of ENRA Group Berhad, do solemnly and sincerely declare that the financial statements set out on pages 109 to 178 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly)
declared by the above named at)
Kuala Lumpur this)
12 July 2024)

Amir Ruqaimi bin Ngah

Before me,

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ENRA GROUP BERHAD (Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ENRA Group Berhad, which comprise the statements of financial position as at 31 March 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 109 to 178.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024 and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

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

As at 31 March 2024, the carrying amount of the Group's property, plant and equipment was RM72.27 million as disclosed in Note 4 to the financial statements.

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

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

Independent Auditors' Report To The Members Of Enra Group Berhad (Incorporated In Malaysia)(Cont'd)

Key Audit Matters (Cont'd)

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

Audit response

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

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

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

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

(2) Impairment assessment of inventories

As at 31 March 2024, carrying amounts of property held for sales of the Group were RM22.87 million and completed properties of the Group and Company were RM3.99 million respectively, as disclosed in Note 9 to the financial statements.

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

Audit response

Our audit procedures included the following:

- (a) assessed the unsold units based on enquiries with management including corroborative enquiries with the key management personnel on the plans to address slow moving inventories;

Independent Auditors' Report To The Members Of Enra Group Berhad (Incorporated In Malaysia)(Cont'd)

Key Audit Matters (Cont'd)

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

Audit response (Cont'd)

Our audit procedures included the following: (continued)

- (b) for those unsold completed units in Malaysia, we tested the carrying amount by obtaining the recent transacted prices of comparable development units in similar or nearby locations, and adjusted for the size of the units; and
- (c) for those unsold completed units outside Malaysia which did not have recent sale transactions, we have obtained the valuation report of inventories from an independent valuer and assessed management's impairment testing based on fair value less costs of disposal as follows:
 - (i) Considered the independence, competence, capabilities and objectivity of the external valuer; and
 - (ii) Obtained an understanding of the methodology adopted by the independent valuer in estimating the fair value of the inventories and assessed whether such methodology is consistent with those used in the industry.

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

As at 31 March 2024, carrying amounts of costs of investments in subsidiaries of the Company were RM17.95 million as disclosed in Note 6 to the financial statements of which an impairment of RM12.11 million was recognised during the financial year.

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

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

Audit response

Our audit procedures included the following:

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

Independent Auditors' Report To The Members Of Enra Group Berhad (Incorporated In Malaysia)(Cont'd)

Key Audit Matters (Cont'd)

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

As at 31 March 2024, carrying amounts due from subsidiaries of the Company amounted to RM80.01 million as disclosed in Note 10 to the financial statements of which an impairment of RM0.84 million was recognised during the financial year.

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

Audit response

Our audit procedures included the following:

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

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Independent Auditors' Report To The Members Of Enra Group Berhad (Incorporated In Malaysia)(Cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Independent Auditors' Report To The Members Of Enra Group Berhad (Incorporated In Malaysia)(Cont'd)

Report on Other Legal and Regulatory Requirements

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

Other Matters

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

BDO PLT

201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Kuala Lumpur
12 July 2024

Lee Wee Hoong

03316/07/2023 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	4	72,267	62,949	104	134
Right-of-use assets	5	8,968	8,870	252	141
Investments in subsidiaries	6	-	-	17,952	24,448
Goodwill on consolidation	7	-	-	-	-
Contract assets	11	-	168	-	-
Trade and other receivables	10	-	-	1,623	-
		81,235	71,987	19,931	24,723
Current assets					
Inventories	9	57,493	59,984	3,994	4,699
Trade and other receivables	10	5,011	6,906	78,922	80,960
Contract assets	11	2,850	1,140	-	-
Derivative assets	12	-	98	-	41
Current tax assets		44	212	-	-
Cash and bank balances and short term funds	13	5,295	12,794	3,297	4,558
		70,693	81,134	86,213	90,258
TOTAL ASSETS		151,928	153,121	106,144	114,981
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	14	144,744	144,744	144,744	144,744
Redeemable convertible preference shares equity	15	2,477	2,886	-	-
Treasury shares	16	(1,199)	(1,199)	(1,199)	(1,199)
Non-distributable reserves	17	5,489	1,987	375	18
Accumulated losses		(76,009)	(61,132)	(59,403)	(44,413)
		75,502	87,286	84,517	99,150
Non-controlling interests		(3,199)	(1,060)	-	-
TOTAL EQUITY		72,303	86,226	84,517	99,150

Statements Of Financial Position

As At 31 March 2024 (Cont'd)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
EQUITY AND LIABILITIES (Cont'd)					
LIABILITIES					
Non-current liabilities					
Trade and other payables	18	21,146	22,830	-	-
Borrowings	19	11,500	721	-	-
Lease liabilities	5	1,714	1,540	161	48
Redeemable convertible preference shares	15	-	6,434	-	-
		34,360	31,525	161	48
Current liabilities					
Trade and other payables	18	15,168	19,498	1,391	2,348
Derivative liability	12	40	-	37	-
Contract liabilities	11	185	1,192	-	-
Borrowings	19	22,696	13,251	19,945	13,342
Lease liabilities	5	184	96	93	93
Redeemable convertible preference shares	15	6,916	1,057	-	-
Current tax liabilities		76	276	-	-
		45,265	35,370	21,466	15,783
TOTAL LIABILITIES		79,625	66,895	21,627	15,831
TOTAL EQUITY AND LIABILITIES		151,928	153,121	106,114	114,981

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Continuing operations					
Revenue	22	31,057	30,479	700	-
Cost of sales		(30,903)	(32,388)	(708)	-
Gross profit/(loss)		154	(1,909)	(8)	-
Other income		1,580	1,554	7,322	5,934
Administrative expenses		(13,960)	(37,479)	(19,595)	(32,840)
Impairment of financial assets		-	-	(843)	(3,419)
Other expenses		(282)	(39)	(104)	(54)
Lease interest expense		(130)	(124)	(6)	(3)
Finance costs	23	(3,533)	(1,479)	(1,756)	(928)
Loss before tax	24	(16,171)	(39,476)	(14,990)	(31,310)
Tax expense	25	(289)	(61)	-	(2)
Loss for the financial year		(16,460)	(39,537)	(14,990)	(31,312)
Discontinued operations					
Profit for the financial year from discontinued operations	6(c)	12	-	-	-
Loss for the financial year		(16,448)	(39,537)	(14,990)	(31,312)
Other comprehensive income:					
Items that may be reclassified subsequently to profit or loss					
Foreign currency translations, net of tax		5,022	2,487	-	-
Total comprehensive loss		(11,426)	(37,050)	(14,990)	(31,312)

Statements Of Profit Or Loss And Other Comprehensive Income For The Financial Year Ended 31 March 2024 (Cont'd)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Loss attributable to:					
Equity holders of the Company		(14,877)	(25,476)	(14,990)	(31,312)
Non-controlling interests		(1,571)	(14,061)	-	-
		(16,448)	(39,537)	(14,990)	(31,312)
Total comprehensive loss attributable to:					
Equity holders of the Company		(11,732)	(24,039)	(14,990)	(31,312)
Non-controlling interests		306	(13,011)	-	-
		(11,426)	(37,050)	(14,990)	(31,312)
Loss per ordinary share attributable to equity holders of the Company (sen):					
From continuing operations		(11.03)	(18.88)		
From discontinued operations		-	-		
Basic	27	(11.03)	(18.88)		
From continuing operations		(11.03)	(18.88)		
From discontinued operations		-	-		
Diluted	27	(11.03)	(18.88)		

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

Consolidated Statement Of Changes In Equity

For The Financial Year Ended 31 March 2024 (Cont'd)

Group	Note	Share capital		Redeemable convertible preference shares		Share options reserve		Exchange translation reserve		Treasury shares		Accumulated losses		Total attributable to equity holders of the Company		Non-controlling interests		Total equity	
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 April 2022		144,744	2,886	-	-	532	(1,199)	(35,656)	111,307	2,087	113,394								
Loss for the financial year		-	-	-	-	-	-	(25,476)	(25,476)	(14,061)	(39,537)								
Other comprehensive loss, net of tax		-	-	-	1,437	-	-	-	1,437	1,050	2,487								
Total comprehensive income/(loss)		-	-	-	1,437	-	-	(25,476)	(24,039)	(13,011)	(37,050)								
Transactions with owners																			
Issue of shares by a subsidiary to a non-controlling interest		-	-	-	-	-	-	-	-	-	30								
Issuance of capital contribution reserve to non-controlling interests		-	-	-	-	-	-	-	-	-	10,380								
Repayment of capital contribution to non-controlling interests	6(f)	-	-	-	-	-	-	-	-	-	-	(546)							
Share options granted under ESOS		-	-	18	-	-	-	-	18	-	-	-							
Total transactions with owners		-	-	18	-	-	-	-	18	-	-	9,864							
Balance as at 31 March 2023		144,744	2,886	18	1,969	(1,199)	(61,132)	87,286	(1,060)	86,226									

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

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

Company	Share capital RM'000	Share options reserve RM'000	Treasury shares RM'000	Accumulated losses RM'000	Total Equity RM'000
Balance as at 1 April 2022	144,744	-	(1,199)	(13,010)	130,535
Loss for the financial year	-	-	-	(31,312)	(31,312)
Other comprehensive income, net of tax	-	-	-	-	-
Total comprehensive loss	-	-	-	(31,312)	(31,312)
Transaction with owners					
Share options granted under ESOS	-	18	-	-	18
Balance as at 31 March 2023/ 1 April 2023, as previously reported					
	144,744	18	(1,199)	(44,322)	99,241
Adjustment due to retrospective application of MFRS 9	-	-	-	(91)	(91)
Restated balance as at 31 March 2023/1 April 2023					
	144,744	18	(1,199)	(44,413)	99,150
Loss for the financial year	-	-	-	(14,990)	(14,990)
Other comprehensive income, net of tax	-	-	-	-	-
Total comprehensive loss	-	-	-	(14,990)	(14,990)
Transaction with owners					
Share options granted under ESOS	-	357	-	-	357
Balance as at 31 March 2024	144,744	375	(1,199)	(59,403)	84,517

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Loss before tax					
Continuing operations		(16,171)	(39,476)	(14,990)	(31,310)
Discontinued operations		12	-	-	-
Adjustments for:					
Impairment loss on goodwill	7	-	400	-	-
Impairment loss on amounts owing by subsidiaries	10(h)	-	-	843	3,419
Impairment loss on investment in subsidiaries	6(g)	-	-	12,109	25,395
Impairment loss on property, plant and equipment	4(c)	519	-	-	-
Fair value gain on short term funds	24	-	4	-	4
Inventories written down	9(c)	1,026	13,481	32	-
Depreciation of property, plant and equipment	4	5,836	5,668	30	33
Amortisation of right-of-use assets	5	286	403	94	88
Fair value loss on financial guarantee contracts	24	-	-	686	-
Fair value loss/(gain) on derivatives	12(c)	74	(98)	77	(41)
Unwinding of financial guarantee contracts		-	-	(83)	-
Gain on disposal of subsidiaries	6(c)	(120)	-	(200)	-
Unrealised loss/(gain) on foreign exchange	24	109	(805)	-	-
Interest expense:					
- Unwinding of discount (RCPS)	15	482	532	-	-
- Unwinding of lease interest	5	130	124	6	3
- Borrowings		3,051	947	1,756	928
Interest income		(133)	(115)	(5,769)	(5,015)
Bad debts written off		-	723	-	723
Share options granted under ESOS		357	18	327	18
Operating loss before changes in working capital		(4,542)	(18,194)	(5,082)	(5,755)
Decrease/(Increase) in contract assets		972	(94)	-	-
Decrease/(Increase) in inventories		3,398	(1,570)	674	(97)
(Increase)/Decrease in trade and other receivables		(480)	11,624	(88)	(60)
(Decrease)/Increase in contract liabilities		(1,007)	230	-	-
(Decrease)/Increase in trade and other payables		(8,114)	(7,929)	109	(1,571)
Cash used in operations		(9,773)	(15,933)	(4,387)	(7,483)
Tax paid		(434)	(175)	-	(2)
Net cash used in operating activities		(10,207)	(16,108)	(4,387)	(7,485)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (Cont'd)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received		133	115	5,769	5,015
(Placement)/ Uplift of fixed deposits pledged		(700)	1,955	(700)	-
Proceeds from disposal of property, plant and equipment		4	-	-	-
Proceeds from dilution of equity interest in subsidiary	6(c)	1	-	-	-
(Outflow)/Inflow from disposal of subsidiaries, net of cash	6(c)	(468)	-	1,200	-
Purchase of property, plant and equipment	4	(11,239)	(6)	-	(3)
Equity contributions to subsidiaries	6	-	-	(6,613)	(10,263)
Advances to subsidiaries		-	-	(1,376)	(4,825)
Net cash (used in)/from investing activities		(12,269)	2,064	(1,720)	(10,076)
CASH FLOWS FROM FINANCING ACTIVITIES					
Interest paid	5(e)	(3,051)	(947)	(1,756)	(928)
Payment of lease liabilities	5(e)	(252)	(271)	(98)	(87)
Repayment of capital contribution from non-controlling interests		(2,886)	(546)	-	-
Drawdown of other borrowings		9,001	13,972	9,000	13,251
- other borrowings		15,131	-	-	-
Repayments of:					
- other borrowings		(3,000)	(1,370)	(3,000)	-
- term loan		(908)	(2,507)	-	-
Net cash from financing activities		14,035	8,331	4,146	12,236
Net decrease in cash and cash equivalents		(8,441)	(5,713)	(1,961)	(5,325)
Cash and cash equivalents at beginning of financial year		10,512	16,051	2,458	7,783
Effects of exchange rate changes on cash and cash equivalents		242	174	-	-
Cash and cash equivalents at end of financial year	13(h)	2,313	10,512	497	2,458

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

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (Cont'd)

Reconciliation of liabilities arising from financial activities:

	Other borrowings* (Note 21)		Term loan (Note 20)		Lease liabilities (Note 5)	
	Group RM'000	Company RM'000	Group RM'000	Company RM'000	Group RM'000	Company RM'000
At 1 April 2023	13,972	13,251	-	-	1,636	141
Cash flows	6,001	6,000	14,223	-	(252)	(98)
Non-cash flows:						
- Unwinding of interest	-	-	-	-	130	6
- Addition	-	-	-	-	179	-
- Remeasurement	-	-	-	-	205	205
At 31 March 2024	19,973	19,251	14,223	-	1,898	254
At 1 April 2022	1,370	-	2,507	-	1,620	62
Cash flows	12,602	13,251	(2,507)	-	(271)	(87)
Non-cash flows:						
- Unwinding of interest	-	-	-	-	124	3
- Remeasurement	-	-	-	-	163	163
At 31 March 2023	13,972	13,251	-	-	1,636	141

*Excluded financial guarantee contracts

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

1. CORPORATE INFORMATION

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

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

The consolidated financial statements for the financial year ended 31 March 2024 comprise the Company and its subsidiaries. These financial statements are presented in Ringgit Malaysia (“RM”), which is also the functional currency of the Company. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 12 July 2024.

2. PRINCIPAL ACTIVITIES

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

The principal activities of the subsidiaries are mainly property development and trading, investment holding, provision of project management of engineering, procurement, construction and commissioning and decommissioning for multi-discipline in oil & gas industries, provision of upstream and midstream infrastructure technology solution to the oil and gas industry, leasing and provision of related services, business of engineering, procurement and construction of civil works, steel structure, mechanical, piping and electrical and instrumental installation and provision of maritime services and marine engineering related businesses. Further details of the subsidiaries are disclosed in Note 6 to the financial statements.

There have been no significant changes in the nature of the activities of the Company and its subsidiaries other than the newly additional principal activities of provision of engineering design, fabrication & construction, installation, leasing and refurbishment of single point mooring systems, floating production storage & offloading (FPSO) units and floating storage & offloading (FSO) units for the oil and gas industry during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 34.1 to the financial statements.

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

Notes To The Financial Statements
31 March 2024
(Cont'd)

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

Group	Balance as at 1.4.2022 RM'000	Additions RM'000	Reclassifi- cation RM'000	Depreciation charge for the year RM'000	Exchange adjustment RM'000	Balance as at 31.3.2023 RM'000
Carrying amount						
Furniture, fittings, renovation and office equipment	150	5	-	(24)	-	131
Computer hardware and software	91	1	-	(38)	-	54
Plant and machinery	6,160	-	-	(807)	308	5,661
Marine equipment	58,980	-	#	(4,799)	2,922	57,103
	65,381	6	-	(5,668)	3,230	62,949

	← At 31.3.2023	→	
	Accumulated Cost depreciation RM'000	Accumulated impairment RM'000	Carrying amount RM'000
Furniture, fittings, renovation and office equipment	257	(126)	131
Computer hardware and software	417	(363)	54
Plant and machinery	7,993	(2,332)	5,661
Marine equipment	83,892	(17,281)	57,103
	92,559	(20,102)	62,949

Reclassification of marine equipment from right-of-use asset with RM nil carrying amount

Notes To The Financial Statements
31 March 2024
(Cont'd)

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

Company	Balance as at 1.4.2023 RM'000	Additions RM'000	Depreciation charge for the year RM'000	Balance as at 31.3.2024 RM'000
2024				
Carrying amount				
Furniture, fittings, renovation and office equipment	125	-	(22)	103
Computer hardware and software	9	-	(8)	1
	134	-	(30)	104

	← At 31.3.2024 →		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Furniture, fittings, renovation and office equipment	237	(134)	103
Computer hardware and software	297	(296)	1
	534	(430)	104

Company	Balance as at 1.4.2022 RM'000	Additions RM'000	Depreciation charge for the year RM'000	Balance as at 31.3.2023 RM'000
2023				
Carrying amount				
Furniture, fittings, renovation and office equipment	145	3	(23)	125
Computer hardware and software	19	-	(10)	9
	164	3	(33)	134

	← At 31.3.2023 →		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Furniture, fittings, renovation and office equipment	237	(112)	125
Computer hardware and software	297	(288)	9
	534	(400)	134

Notes To The Financial Statements
31 March 2024
(Cont'd)

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

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

Furniture, fittings, renovation and office equipment	10% - 33.33%
Computer hardware and software	20% - 33.33%
Marine equipment	7% - 8%
Plant and machinery	10%

Capital work in progress represents dry docking for vessel. Capital work in progress is not depreciated until such time when the asset is available for use.

- (c) Impairment assessment

The Group assesses impairment of assets whenever the events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable, i.e. the carrying amount of the asset is more than the recoverable amount.

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

During the financial year, the management have re-assessed the recoverable amount of the marine equipment and related plant and machinery in the Energy Logistics operating segment caused by change in its operating arrangement. Recoverable amount was determined based on the VIU of these marine equipments.

The recoverable amount of the property, plant and equipment of the Energy Logistics operating segment are as follows:

	RM'000
Recoverable amount	
Vessel, including attached plant and machinery and capital work in progress	59,963
Buoy	11,856
	71,819

The estimated VIU is determined using a pre-tax discount rate of 7% (2023: 8%) and based on the assumption that the revenue will be generated from tanker time chartering operation with ultimate disposal at the end of the charter period. The daily charter rate used in the assessment is based on extrapolation of the current market rate.

Based on the above impairment assessment, an impairment loss of RM519,000 has been recognised during the financial year.

- (d) As at the end of the reporting period, certain marine equipment, plant and machinery and capital work in progress of the Group with a carrying amount of RM59,887,000 has been charged as securities for financing facilities granted to the company's subsidiary as disclosed in Note 20(b) to the financial statements.

Notes To The Financial Statements
31 March 2024
(Cont'd)

5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group and the Company as lessee

(a) Right-of-use assets

Group	Balance as at 1.4.2023 RM'000	Additions RM'000	Remeasurement RM'000	Depreciation charge for the year RM'000	Balance as at 31.3.2024 RM'000
Carrying amount					
Leasehold land	8,729	-	-	(163)	8,566
Buildings	141	179	205	(123)	402
	8,870	179	205	(286)	8,968

	At 31.3.2024		Carrying amount RM'000
	Cost RM'000	Accumulated depreciation RM'000	
Leasehold land	9,447	(881)	8,566
Buildings	977	(575)	402
Marine equipment	453	(453)	-
	10,877	(1,909)	8,968

Group	Balance as at 1.4.2022 RM'000	Additions RM'000	Remeasurement RM'000	Depreciation charge for the year RM'000	Balance as at 31.3.2023 RM'000
Carrying amount					
Leasehold land	8,893	-	-	(164)	8,729
Buildings	67	-	163	(89)	141
Marine equipment	150	#	-	(150)	-
	9,110	-	163	(403)	8,870

Reclassification of marine equipment to property, plant and equipment with RM nil carrying amount

	At 31.3.2023		Carrying amount RM'000
	Cost RM'000	Accumulated depreciation RM'000	
Leasehold land	9,447	(718)	8,729
Buildings	593	(452)	141
Marine equipment	453	(453)	-
	10,493	(1,623)	8,870

Notes To The Financial Statements
31 March 2024
(Cont'd)

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

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

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

Company	Balance as at 1.4.2023 RM'000	Remeasurement RM'000	Depreciation charge for the year RM'000	Balance as at 31.3.2024 RM'000
Carrying amount				
Buildings	141	205	(94)	252

	← At 31.3.2024 →		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Buildings	514	(262)	252

Company	Balance as at 1.4.2022 RM'000	Remeasurement RM'000	Depreciation charge for the year RM'000	Balance as at 31.3.2023 RM'000
Buildings	66	163	(88)	141

	← At 31.3.2023 →		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Buildings	309	(168)	141

- (i) The right-of-use assets comprise leasehold land, buildings, and marine equipment and they are initially recorded at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

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

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

Leasehold land	Up to 69 years
Buildings	2 to 5 years
Marine equipment	2 years

Notes To The Financial Statements
31 March 2024
(Cont'd)

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

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

(b) Lease liabilities

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current				
Lease liabilities	1,714	1,540	161	48
Current				
Lease liabilities	184	96	93	93
Total lease liabilities	1,898	1,636	254	141

Represented by:

Lease liabilities owing to non-financial institutions	1,898	1,636	254	141
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(i) The lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the Group and the Company measure the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect lease payments made, and remeasuring the carrying amount to reflect any reassessment or lease modifications.

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At beginning of financial year	1,636	1,620	141	62
Addition	179	-	-	-
Remeasurement	205	163	205	163
Interest charged	130	124	6	3
Lease payments	(252)	(271)	(98)	(87)
At end of financial year	1,898	1,636	254	141

(iii) The weighted average incremental borrowing rate applied to the lease liabilities of the Group and of the Company is 7.47% and 7.47% respectively (2023: 7.41% and 5.27% respectively).

(iv) Lease liabilities are denominated in RM.

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

Notes To The Financial Statements
31 March 2024
(Cont'd)

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

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

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Amortisation charge of right-of-use assets (included in cost of sales)	-	150	-	-
Amortisation charge of right-of-use assets (included in administrative expenses)	286	253	94	88
Interest expense on lease liabilities	130	124	6	3
Expense relating to short-term leases (included in administrative expenses)	-	225	-	-
Expense relating to leases of low-value assets (included in administrative expenses)	11	16	3	4
	427	768	103	95

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Included in net cash from operating activities:				
Payment relating to short-term leases and low value assets	11	241	3	4
Included in net cash from financing activities:				
Payment of lease liabilities	252	271	98	87
Total cash outflows for leases	263	512	101	91

The Group as a lessor

The Group has entered into a lease agreement on certain marine equipment on which the monthly rental consist of fixed base rent.

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

	Group	
	2024 RM'000	2023 RM'000
Less than one (1) year	27,629	7,672
One (1) to two (2) years	27,629	9,206
Two (2) to three (3) years	18,498	8,589
Three (3) to four (4) years	18,498	7,319
Four (4) to five (5) years	18,498	7,090
More than five (5) years	-	1,182
	110,752	41,058

Notes To The Financial Statements

31 March 2024

(Cont'd)

6. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024	2023
	RM'000	RM'000
Unquoted equity shares, at cost	10,146	11,146
Less: Impairment losses	(10,044)	(2,340)
	102	8,806
Equity contributions to subsidiaries	59,537	52,924
Less: Accumulated impairment losses	(41,687)	(37,282)
	17,952	24,448

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

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

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

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

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

Disposal of equity interest in ENRA Energy Solution Sdn. Bhd. ("EESSB")

On 12 April 2023, a wholly owned subsidiary of the Company, ENRA Engineering & Construction Sdn. Bhd. ("EEC") disposed of 750,000 ordinary shares in EESSB, representing 30% of the equity interest in EESSB to a third party at a total consideration of RM1,000. Following the disposal, the shareholding of EEC in EESSB has been reduced from 100% to 70%.

Notes To The Financial Statements
31 March 2024
(Cont'd)

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

Disposal of ENRA IOL Sdn. Bhd. ("EIOL")

The Company had on 8 August 2023 entered into Share Sale and Purchase Agreement with OZLUX Sdn Bhd ("OZLUX") to transfer its entire investment equivalent to 51% shares in EIOL for a cash consideration of RM1,200,000. The disposal resulted a gain of RM200,000 to the Company. Prior to the disposal, EIOL was jointly owned by the Company and OZLUX at 51% and 49% shares respectively. Following the completion on 16 August 2023, EIOL has effectively ceased to be the subsidiary of the Company.

Profit attributable to the discontinued operations was as follows:

	Group 2024 RM'000
Results of discontinued operations	
Revenue	-
Other Income	18
Expenses	(2)
<hr/>	
Results from operating activities	16
Taxation	(4)
<hr/>	
Results from operating activities, net of tax	12
Gain on sale of discontinued operations	120
<hr/>	
Profit for the financial year	132

Details of the assets, liabilities and net cash inflow arising from the disposal of EIOL during the financial year ended 31 March 2024 are as follows:

	As at date of disposal RM'000
Assets/(Liabilities) disposed:	
Contract cost	77
Trade and other receivables	361
Tax recoverable	51
Cash and cash equivalents	1,668
Trade and other payables	(51)
Non-controlling interests	(1,026)
Gain on disposal of a subsidiary	120
<hr/>	
Disposal consideration	1,200
Cash and cash equivalents disposed	(1,668)
<hr/>	
Net outflow from disposal of a subsidiary	(468)

Notes To The Financial Statements

31 March 2024

(Cont'd)

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

Disposal of ENRA IOL Sdn. Bhd. ("EIOL") (Cont'd)

The gain on disposal of a subsidiary of the Group and of the Company in the current financial year is as follows:

	Group 2024 RM'000	Company 2024 RM'000
Total disposal proceeds	1,200	1,200
Carrying amount of EIOL's net asset at disposal date	(2,106)	-
Minority interests of EIOL's at disposal date	1,026	-
Carrying amount of cost of investment in EIOL	-	(1,000)
	<hr/>	<hr/>
Gain on disposal of a subsidiary	120	200

Dilution of equity interest in ENRA Labuan Sdn. Bhd. ("ELabuan")

On 29 August 2023, ELabuan converted 104,450 Redeemable Convertible Preference Shares Series-A ("RCPS-A") into 104,450 ordinary shares at an issued price of RM10.12 each upon the maturity date of the RCPS-A. Following the conversion, the shareholding of the Company in ELabuan has been diluted from 100% to 66%.

Incorporation of subsidiaries, Hexagon Marine Logistics Labuan Ltd. ("HMLL") and Hexagon SPM Solutions Sdn. Bhd. ("HSPM")

The wholly-owned subsidiary of the Company, Hexagon Energy Logistics Sdn. Bhd. ("HELSEB") (f.k.a ENRA Oil & Gas Services Sdn. Bhd.) had on 10 April 2023 incorporated a new subsidiary known as HMLL, with a paid-up share capital of RM1 comprising of 1 ordinary shares. HELSEB held 100% of the ordinary shares.

On 22 December 2023, HEL incorporated another new subsidiary known as HSPM, with a paid-up share capital of RM100 comprising of 100 ordinary shares. HELSEB held 100% of the ordinary shares.

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

Incorporation of a subsidiary, MSMENRA Sdn. Bhd. ("MSMENRA")

A subsidiary of the Company, ENRA Energy Solutions Sdn. Bhd. ("EESB") had on 1 June 2022 incorporated a new subsidiary known as MSMENRA, with a paid-up share capital of RM100,000 comprising of 100,000 ordinary shares. EESB held 70% of the ordinary shares while the remaining 30% of the ordinary shares is held by a non-controlling interest.

Internal restructuring of ENRA IOL Sdn Bhd ("EIOL")

In the previous financial year, the Company made an internal restructuring involving a transfer of 100% shares in EIOL held by ENRA Engineering and Fabrication Sdn. Bhd. ("EEFAB") to ENRA Group Berhad ("EGB") by way of offsetting the amount owing from EEFAB amounting to RM1,000,000.

Internal restructuring of EESSB

In the previous financial year, the Company made an internal restructuring involving a transfer of 100% shares in EESSB held by ENRA Energy Sdn. Bhd. ("EESB") to ENRA Engineering & Construction Sdn. Bhd. ("EECSB") by way of offsetting the amount owing from EESB.

Notes To The Financial Statements
31 March 2024
(Cont'd)

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

Name of company	Country of incorporate/ Principal place of business	Effective interest in equity		Principal activities
		2024 %	2023 %	
ENRA Labuan Sdn. Bhd.	Malaysia	66	100	Property development
ENRA Land Sdn. Bhd.	Malaysia	100	100	Investment holding
ENRA Energy Sdn. Bhd.	Malaysia	100	100	Investment holding
ENRA Engineering & Construction Sdn. Bhd.	Malaysia	100	100	Investment holding
ENRA IOL Sdn. Bhd.	Malaysia	-	51	Business of supplying and installing energy saving lighting products
Subsidiaries of ENRA Energy Sdn. Bhd.				
Hexagon Energy Logistics Sdn. Bhd.	Malaysia	100	100	Provision of project management of engineering, procurement, construction and commissioning and decommissioning for multi-discipline in oil & gas industries
Subsidiaries of Hexagon Energy Logistics Sdn. Bhd.				
ENRA SPM Sdn. Bhd.	Malaysia	60	60	Bareboat leasing services
Hexagon Marine Logistics Labuan Ltd. ^	Malaysia	100	-	Leasing and provision of related services
Hexagon SPM Solutions Sdn. Bhd. ^	Malaysia	100	-	Provision of engineering design, fabrication and construction, installation, leasing and refurbishment of single point mooring systems, floating production, storage and offloading for the oil and gas industry.
Subsidiary of ENRA SPM Sdn. Bhd.				
ENRA SPM Labuan Limited	Malaysia	60	60	Leasing services

Notes To The Financial Statements
31 March 2024
(Cont'd)

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

Name of company	Country of incorporate/ Principal place of business	Effective interest in equity		Principal activities
		2024 %	2023 %	
Subsidiaries of ENRA Engineering & Construction Sdn. Bhd.				
ENRA Engineering and Fabrication Sdn. Bhd.	Malaysia	100	100	Business of engineering, procurement and construction of civil works, steel structure, mechanical, piping and electrical and instrumental installation
ENRA Energy Solutions Sdn. Bhd.	Malaysia	70	100	Provision of upstream and midstream infrastructure technology solution to the oil and gas industry
Subsidiary of ENRA Energy Solutions Sdn. Bhd.				
MSMENRA Sdn. Bhd. * (In liquidation)	Malaysia	70	70	Maritime services and marine engineering related businesses
Subsidiaries of ENRA Land Sdn. Bhd.				
ENRA Property (UK) Limited #	United Kingdom	100	100	Investment holding
Q Homes Sdn. Bhd.	Malaysia	51	51	Property development and trading
Hampton Homes Sdn. Bhd.	Malaysia	100	100	Property development and trading
Subsidiaries of Q Homes Sdn Bhd.				
Prominent Archway Sdn. Bhd.	Malaysia	51	51	Intended business has yet to commence
Merpati TPG Sdn. Bhd.	Malaysia	51	51	Property development
Makmur Homes Sdn. Bhd.	Malaysia	51	51	Property development
DV Homes Sdn. Bhd.	Malaysia	51	51	Property development
BRP Homes Sdn. Bhd.	Malaysia	51	51	Property development

Notes To The Financial Statements
31 March 2024
(Cont'd)

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

Name of company	Country of incorporate/ Principal place of business	Effective interest in equity		Principal activities
		2024 %	2023 %	
Subsidiaries of ENRA Property (UK) Limited				
Fitzrovia Developments Limited #	United Kingdom	75	75	Property development
Abode Senior Living Limited #	United Kingdom	51	51	Property development
Subsidiaries of Abode Senior Living Limited				
Abode Caldecott Square Development Limited #	United Kingdom	51	51	Property development
Caldecott Square Rugby Limited #	United Kingdom	51	51	Property development

Subsidiary not audited by BDO Member firms

^ The Company is newly incorporated during the financial year

* Subsidiary is consolidated based on the latest management accounts as at 31 March 2024. The financial statements of the subsidiary are not required to be audited as they had been placed under liquidation

Notes To The Financial Statements

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(Cont'd)

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

2024	ENRA SPM		Fitzrovia		Abode		Q Homes		ENRA		Enra		Other non-		
	Sdn. Bhd.	Group	Developments	Limited	Senior	Living	Sdn. Bhd.	Group	Energy	Solutions	Labuan	Sdn. Bhd.	material	NCI	
	RM'000	RM'000	RM'000	RM'000	Group	Group	Group	Group	Group	Group	Group	Group	Group	Group	
NCI percentage of ownership interest and voting interest	40%		25%	49%	49%	49%	49%	49%	30%	34%					
Carrying amount of NCI	350~	(3,570)	(3,570)	330	1,591 [^]	(1,051)	(1,051)	(1,051)	(466)	1,208					
Profit/(Loss) allocated to NCI	1,486	(6)	(6)	(1,341)	(7,377)	(954)	(954)	(954)	(496)	(259)					
Total comprehensive income/(loss)	3,343	(67)	(67)	(1,261)	(7,507)	(954)	(954)	(954)	(496)	(259)					
2023															
NCI percentage of ownership interest and voting interest	40%		25%	49%	49%	49%	49%	49%	-	-				30%	
Carrying amount of NCI	(107)*	(3,503)	(3,503)	1,591 [^]	(97)	(97)	(97)	(97)	-	-				30#	
Loss allocated to NCI	(6,647)	(19)	(19)	(7,377)	(35)	(35)	(35)	(35)	-	-				@	
Total comprehensive (loss)/income	(5,490)	4	4	(7,507)	(35)	(35)	(35)	(35)	-	-				@	

~ During the financial year, ESPM has made repayment of capital contribution to NCI amounting to RM2,886,000.

^ In the previous financial year, the amount owing by ASLL to NCI amounting to RM10,380,000 was reclassified to capital contribution reserve.

In the previous financial year, the subsidiary of EESSB has issued shares to NCI amounting to RM30,000.

* In the previous financial year, ESPM has made a repayment of capital contribution to NCI amounting to RM546,000.

@ Amount is immaterial to disclose.

Notes To The Financial Statements
31 March 2024
(Cont'd)

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

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

2024	ENRA SPM Sdn. Bhd. Developments Group RM'000	Fitzrovia Limited RM'000	Abode Senior Living Limited Group RM'000	Q Homes Sdn. Bhd. Group RM'000	ENRA Energy Solutions Group RM'000	Enra Labuan Sdn. Bhd. RM'000
Assets and liabilities						
Non-current assets	11,856	-	-	19	552	8,567
Current assets	6,250	51	22,964	37,883	1,215	9
Non-current liabilities	-	-	-	(20,969)	(1,686)	(7,262)
Current liabilities	(16,745)	(2,765)	(23,079)	(6,932)	(576)	(1,490)
Net assets/(liabilities)	1,361	(2,714)	(115)	10,001	(495)	(176)
Results						
Revenue	25,433	-	-	3,883	1,865	-
Profit/(Loss) for the financial year	3,713	(24)	(2,738)	(1,946)	(1,652)	(763)
Total comprehensive (loss)/income	3,713	-	-	(1,946)	(1,652)	(763)
Cash flows from/(used in) operating activities	8,371	-	-	(7,490)	(1,148)	(936)
Cash flows (used in)/from investing activities	(3,799)	-	-	(1,815)	222	-
Cash flows (used in)/from financing activities	(2,249)	-	-	8,939	(32)	936
Net increase/(decrease) in cash and cash equivalents	2,323	-	-	(366)	(958)	-

Notes To The Financial Statements
31 March 2024
(Cont'd)

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

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

2023	ENRA SPM Sdn. Bhd. Developments Group RM'000	Fitzrovia Developments Limited RM'000	ENRA IOL Sdn. Bhd. RM'000	Adobe Senior Living Limited Group RM'000	Q Homes Sdn. Bhd. Group RM'000	Other non- material NCI RM'000
Assets and liabilities						
Non-current assets	62,766	-	245	-	28	-
Current assets	8,194	161	1,898	21,339	39,471	100
Non-current liabilities	-	-	-	-	(22,668)	-
Current liabilities	(69,973)	(2,606)	(49)	(18,881)	(11,498)	(5)
Net assets/(liabilities)	987	(2,445)	2,094	2,458	5,333	95
Results						
Revenue	23,641	161	22	-	952	-
(Loss)/Profit for the financial year	(16,618)	(75)	35	(15,055)	(72)	(1)
Total comprehensive (loss)/income	(13,723)	16	35	(15,321)	(72)	(1)
Cash flows (used in)/from operating activities	(5,942)	28	290	51	1,289	*
Cash flows from/(used in) investing activities	17,251	-	-	-	(3,087)	-
Cash flows (used in)/from financing activities	(3,298)	38	-	216	734	100
Net increase/(decrease) in cash and cash equivalents	8,011	66	290	266	(1,064)	100

* Amount is immaterial to disclose.

Notes To The Financial Statements
31 March 2024
(Cont'd)

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (g) During the financial year, the Company recognised an impairment loss on investments in subsidiaries of RM12,109,000 (2023: RM25,395,000) due to decline in operations of certain subsidiaries.

Adverse adjustments were made to the forecasted operating cash flows included in the value-in-use calculations. The recoverable amounts were determined using pre-tax discount rates of 7% (2023: 8.0%)

7. GOODWILL ON CONSOLIDATION

	Group	
	2024	2023
	RM'000	RM'000
Cost		
At beginning of the financial year	400	400
Disposal of a subsidiary	(400)	-
	-	400
Accumulated impairment losses		
At beginning of the financial year	(400)	-
Impairment loss	-	(400)
Disposal of a subsidiary	400	-
	-	(400)
Carrying amount	-	-

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

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

- (b) Impairment of goodwill

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

	2023
	%
Growth rates	5
Pre-tax discount rate	10

Impairment of goodwill amounted to RM400,000 was recognised during the previous financial year due to adverse adjustments made to the forecast operating cash flows included in the value-in-use calculation of Malaysia's subsidiaries.

Notes To The Financial Statements

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8. DEFERRED TAXATION

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unutilised tax losses				
-Expires by 31 March 2029	2,876	3,081	2,876	3,081
-Expires by 31 March 2030	3,041	3,041	3,041	3,041
-Expires by 31 March 2031	945	945	945	945
-Expires by 31 March 2033	1,334	1,334	494	494
-Expires by 31 March 2034	8,039	-	-	-
Unabsorbed capital allowances	144	105	158	126
	16,379	8,506	7,514	7,687

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

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

9. INVENTORIES

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At cost					
Completed properties		3,304	4,699	3,304	4,699
Work in progress		-	76	-	-
Properties development cost	(a)	30,625	33,899	-	-
At net realisable value					
Completed properties		690	-	690	-
Properties held for sale		22,874	21,310	-	-
		57,493	59,984	3,994	4,699

Notes To The Financial Statements
31 March 2024
(Cont'd)

9. INVENTORIES (CONT'D)

(a) Property development costs

Group	Balance as at 1.4.2023 RM'000	Cost incurred during the year RM'000	Recognised during the year RM'000	Balance as at 31.3.2024 RM'000
Land held for development	21,995	-	-	21,995
Development costs	11,904	669	(3,943)	8,630
	33,899	669	(3,943)	30,625

Group	Balance as at 1.4.2022 RM'000	Cost incurred during the year RM'000	Recognised during the year RM'000	Balance as at 31.3.2023 RM'000
Land held for development	26,207	-	(4,212)	21,995
Development costs	8,690	3,807	(593)	11,904
	34,897	3,807	(4,805)	33,899

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

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

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

- (c) A write down of inventories of RM1,026,000 (2023: RM13,481,000) of the Group and RM32,000 (2023: Nil) of the Company was made during the financial year due to decline in net realisable values of certain completed properties.
- (d) Inventories of the Group amounting to RM4,616,000 (2023: RM5,019,000) have been expensed as cost of sales to the statements of profit or loss and other comprehensive income during the financial year.
- (e) As at the end of the reporting period, certain completed properties of the Group and the Company with a carrying amount of RM3,994,000 (2023: RM4,699,000) have been charged as securities for banking facilities granted to the Group and the Company as disclosed in Note 21(a) to the financial statements.

Notes To The Financial Statements
31 March 2024
(Cont'd)

10. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current					
Other receivables					
Amounts due from subsidiaries		-	-	1,623	-
Total other receivables (non-current)		-	-	1,623	-
Current					
Trade receivables - third parties		1,386	4,449	-	-
Other receivables and deposits					
Amounts due from subsidiaries		-	-	82,649	83,933
Other receivables		796	313	135	78
Deposits		2,176	1,400	80	78
Less: Impairment losses - subsidiaries	(h)	-	-	(4,262)	(3,419)
		2,972	1,713	78,602	80,670
Total receivables (current)		4,358	6,162	78,602	80,670
Prepayments		653	744	320	290
Total trade and other receivables (current)		5,011	6,906	78,922	80,960
Total trade and other receivables (non-current and current)		5,011	6,906	80,545	80,960

- (a) Trade and other receivables (excluding prepayments) are classified as financial assets measured at amortised cost.
- (b) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group and the Company ranged from 30 to 60 days (2023: 30 to 60 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.
- (c) The amounts due from subsidiaries represent advances and payments on behalf, which bear interest at 5% to 10% (2023: 2% to 11%) per annum and payable within next twelve months in cash and cash equivalents.
- (d) The currency exposure profile of receivables (excluding prepayments) are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Ringgit Malaysia	3,073	1,837	80,225	80,670
US Dollar	1,168	4,272	-	-
British Pound	117	53	-	-
	4,358	6,162	80,225	80,670

Notes To The Financial Statements
31 March 2024
(Cont'd)

10. TRADE AND OTHER RECEIVABLES (CONT'D)

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

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

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

It requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

Expected credit loss allowance for trade receivables are as follows:

Group	Gross carrying amount RM'000	Total allowance RM'000	Net balance RM'000
2024			
Current (not past due)	877	*	877
Past due			
- 1 to 30 days	-	*	-
- 31 to 60 days	-	-	-
- 61 to 90 days	509	*	509
- More than 90 days	-	*	-
	1,386	*	1,386
2023			
Current (not past due)	3,405	*	3,405
Past due			
- 1 to 30 days	31	*	31
- 31 to 60 days	-	-	-
- 61 to 90 days	1,013	*	1,013
- More than 90 days	-	*	-
	4,449	*	4,449

* *The amount is immaterial to disclose.*

- (f) As at the end of each reporting period, no collateral has been obtained by the Group. Thus, the maximum credit risk exposure is equivalent to the gross carrying amount of trade receivables of the Group.
- (g) During the financial year, the Group did not renegotiate the terms of any trade receivables.

Notes To The Financial Statements

31 March 2024

(Cont'd)

10. TRADE AND OTHER RECEIVABLES (CONT'D)

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

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

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

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

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

It requires management to exercise its judgement in determining the probabilities of default by other receivables and subsidiaries, appropriate forward-looking information (gross domestic product (GDP)) and significant increase in credit risk.

During the year, the Company recognised an impairment loss on amounts owing from subsidiaries of RM843,000 (2023: RM3,419,000).

The movements in allowance for impairment losses of amounts owing by subsidiaries during the year were as follows:

Company	Amounts owing by subsidiaries		
	Lifetime ECL allowance RM'000	Specific allowance RM'000	Total allowance RM'000
At 1 April 2023	1,880	1,539	3,419
Charge for the year	-	843	843
At 31 March 2024	1,880	2,382	4,262
At 1 April 2022	-	-	-
Charge for the year	1,880	1,539	3,419
At 31 March 2023	1,880	1,539	3,419

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

- (i) Information on financial risks of trade and other receivables is disclosed in Note 33 to the financial statements.

Notes To The Financial Statements
31 March 2024
(Cont'd)

11. CONTRACT ASSETS/(CONTRACT LIABILITIES)

	Group	
	2024	2023
	RM'000	RM'000
Contract assets		
Non-current	-	168
Current	2,850	1,140
	2,850	1,308
Contract liabilities		
Current	(185)	(1,192)

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

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

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

	Group	
	2024	2023
	RM'000	RM'000
31 March 2025	9,670	-
31 March 2024	-	110
	9,670	110

- (c) Impairment for contract assets that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses as disclosed in Note 10(e) to the financial statements.

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

Notes To The Financial Statements
31 March 2024
(Cont'd)

12. DERIVATIVE ASSETS/(LIABILITY)

Group	Contract/ Notional amount RM'000	Assets RM'000	Contract/ Notional amount RM'000	Liability RM'000
2024				
Forward foreign currency contracts	-	-	2,677	(40)
2023				
Forward foreign currency contracts	4,983	98	-	-
Company				
2024				
Forward foreign currency contracts	-	-	2,469	(37)
2023				
Forward foreign currency contracts	2,375	41	-	-

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

Forward foreign currency contracts represent selling and buying contracts are used to hedge the principal and interest of other borrowings of the Company denominated in Singapore Dollar and to hedge the Group's receivable from a customer denominated in US Dollar for which the commitments existed at the reporting date.

- (c) During the financial year, the Group and the Company recognised a net loss of RM74,000 (2023: gain of RM98,000) and RM77,000 (2023: gain of RM41,000) respectively arising from the fair value changes in derivatives. The methods and assumptions applied in determining the fair values of derivatives are disclosed in Note 32(b)(v) to the financial statements.

Notes To The Financial Statements
31 March 2024
(Cont'd)

13. CASH AND BANK BALANCES AND SHORT TERM FUNDS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fixed deposits with licensed banks	2,981	3,714	2,800	2,100
Cash and bank balances	1,934	6,880	117	258
	4,915	10,594	2,917	2,358
Short term funds:				
- Investment in money market funds in Malaysia	380	2,200	380	2,200
	5,295	12,794	3,297	4,558

- (a) Cash and bank balances and short term funds are financial assets where cash and bank balances are measured at amortised cost, while short term funds are measured at fair value through profit or loss.
- (b) Investment in money market funds in Malaysia represent investments in highly liquid money market instruments, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value and hence, meet the definition to be classified as cash and cash equivalents.
- (c) Certain deposits with licensed banks are pledged to licensed banks as security for credit facilities granted to the Group and the Company as set out in Notes 21 to the financial statements. The fixed deposits of the Group and of the Company bear average interest of 2.51% (2023: 2.87%) and 2.53% (2023: 2.62%) per annum respectively. The fixed deposits of the Group and of the Company have maturity period between one (1) month to twelve (12) months (2023: one (1) month to twelve (12) months).
- (d) Included in the cash and bank balances of the Group is an amount of RM505,000 (2023: RM1,323,000) held under the Housing Development Accounts (Control and Licensing) Amendment Act, 2015 ("HDA"). Certain bank balances held under HDA are pledged to licensed bank as security for credit facilities granted to the Group as set out in Note 21 to the financial statements.
- (e) Information on financial risks of cash and bank balances and short term funds is disclosed in Note 33 to the financial statements.
- (f) The currency exposure profile of cash and bank balances and short term funds are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Ringgit Malaysia	4,528	9,687	3,297	4,558
US Dollar	716	2,946	-	-
British Pound	51	161	-	-
	5,295	12,794	3,297	4,558

- (g) No expected credit losses were recognised arising from the deposits with financial institutions because the probability of default by these institution were negligible.

Notes To The Financial Statements

31 March 2024

(Cont'd)

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

- (h) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of each reporting period:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances				
Fixed deposits with licensed banks	2,981	3,714	2,800	2,100
Cash and bank balances	1,934	6,880	117	258
Short term funds	380	2,200	380	2,200
As reported in statements of financial position	5,295	12,794	3,297	4,558
Less:				
Fixed deposits pledged to licensed banks	(2,981)	(2,281)	(2,800)	(2,100)
HDA pledged to a licensed bank	(1)	(1)	-	-
As reported in statements of cash flows	2,313	10,512	497	2,458

14. SHARE CAPITAL

	Group and Company			
	2024	2023	2024	2023
	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
Issued and fully paid ordinary shares with no par value				
At beginning/end of the financial year	136,208	144,744	136,208	144,744

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

Notes To The Financial Statements
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15. REDEEMABLE CONVERTIBLE PREFERENCE SHARES

	Group			
	2024			2023
	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
Equity component of redeemable convertible preference share ("RCPS") with no par value				
At beginning of the financial year	800	2,886	800	2,886
Conversion of RCPS	(104)	(409)	-	-
At end of the financial year	696	2,477	800	2,886

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

	Group	
	2024 RM'000	2023 RM'000
Liability component of RCPS with no par value		
Face value of RCPS at date of issuance	7,038	8,096
Less: Equity component	(2,477)	(2,886)
Liability component at initial recognition	4,561	5,210
At beginning of the financial year	7,491	6,959
Unwinding of discount	482	532
Conversion of RCPS	(1,057)	-
At end of the financial year	6,916	7,491
Non-current liabilities	-	6,434
Current liabilities	6,916	1,057
	6,916	7,491

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

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

Notes To The Financial Statements

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15. REDEEMABLE CONVERTIBLE PREFERENCE SHARES (CONT'D)

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

- (i) The RCPS-A has a tenure of 6 years from the issue date and matures on the business day immediately preceding the 6th anniversary of the said issue date;
- (ii) The RCPS-A is convertible at any time at the option of the holder in accordance with the terms of the Subscription Agreement. One new ordinary share will be issued as fully paid upon the conversion of one RCPS-A. All outstanding RCPS-A shall be automatically converted upon maturity of the RCPS;
- (iii) ELSB shall in accordance with the provisions of the Companies Act 2016 and the terms of the Subscription Agreement redeem all or any of the RCPS-A;
- (iv) The RCPS-A carries the right to receive non-cumulative dividends at the same rate as the ordinary shares of ELSB. The RCPS-A ranks in priority to the ordinary share in respect of terms of the right to receive the dividend;
- (v) The RCPS-A ranks pari passu inter se in respect of entitlements to dividends, rights, allotment or other distributions should the entitlement date for such dividends, rights, allotments or other distributions be declared after the RCPS-A are issued; and
- (vi) The RCPS-A is not to be listed but is transferrable in accordance with the terms of the Shareholder Agreement.

The 1st tranche of 104,450 unit of RCPS amounting to RM1,057,034 has matured on 2 March 2023. Based on the salient features of the RCPS-A, all outstanding RCPS-A shall be automatically converted upon maturity of the RCPS.

As at 29 August 2023, the conversion of RCPS-A has been completed.

16. TREASURY SHARES

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

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

As at 31 March 2024, the Group held 1,289,400 (2023: 1,289,400) of the Company's treasury shares at a total cost of RM1,199,000 (2023: RM1,199,000).

17. NON-DISTRIBUTABLE RESERVES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Exchange translation reserve	5,114	1,969	-	-
Share options reserve	375	18	375	18
	5,489	1,987	375	18

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17. NON-DISTRIBUTABLE RESERVES (CONT'D)

(a) Exchange translation reserve

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

(b) Share options reserve

The share options reserve represents the effect of equity-settled share options granted to employees. This reserve is made up of the cumulative value of services received from employees for the issue of share options. When options are exercised, the amount from the share options reserve is transferred to share capital. When the share options expire, the amount from the share options reserve is transferred to retained earnings.

18. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current				
Other payables - third parties	21,146	22,830	-	-
Current				
Trade payables - third parties	1,850	5,649	-	-
Other payables				
Amounts due to subsidiaries	-	-	1,048	2,114
Other payables - third parties	1,348	2,190	136	18
Accruals	9,161	9,094	180	179
Deposits and advances received	37	46	27	37
Amount due to a related party	2,772	2,519	-	-
	13,318	13,849	1,391	2,348
Total current trade and other payables	15,168	19,498	1,391	2,348
Total trade and other payables	36,314	42,328	1,391	2,348

- (a) Trade and other payables, except for land entitlement payment and contingent consideration for business acquisition, are classified as financial liabilities measured at amortised cost.
- (b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranged from 30 days to 60 days (2023: 30 days to 60 days).
- (c) Non-current other payables amounting RM20,969,000 (2023: RM22,668,000) relates to land entitlement payment for the Group's property development project. The entitlement is payable to the landowner upon completion of the development project.

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18. TRADE AND OTHER PAYABLES (CONT'D)

- (d) Amount due to a related party represents advances received from a non-controlling interest of a subsidiary amounting to RM2,772,000 (2023: RM2,519,000) which are unsecured, non-interest bearing and payable on demand in cash and cash equivalents.
- (e) Amounts due to subsidiaries represent advances and payments on behalf, which are unsecured and payable within next twelve months (12) in cash and cash equivalents.
- (f) The currency exposure profile of payables are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Ringgit Malaysia	29,034	30,984	1,391	2,348
US Dollar	893	5,495	-	-
British Pound	6,387	5,849	-	-
	36,314	42,328	1,391	2,348

- (g) Information on financial risks of trade and other payables is disclosed in Note 33 to the financial statements.

19. BORROWINGS

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current liabilities					
Term loan	20	11,500	-	-	-
Other borrowings	21	-	721	-	-
		11,500	721	-	-
Current liabilities					
Term loan	20	2,723	-	-	-
Other borrowings	21	19,973	13,251	19,945	13,342
		22,696	13,251	19,945	13,342

Notes To The Financial Statements
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19. BORROWINGS (CONT'D)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Total borrowings					
Term loan	20	14,223	-	-	-
Other borrowings	21	19,973	13,972	19,945	13,342
		34,196	13,972	19,945	13,342

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

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Ringgit Malaysia	17,722	11,721	17,694	11,091
US Dollar	14,223	-	-	-
Singapore Dollar	2,251	2,251	2,251	2,251
	34,196	13,972	19,945	13,342

Notes To The Financial Statements

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20. TERM LOAN

	Group	
	2024 RM'000	2023 RM'000
Term loan	14,223	-
Repayable as follows:		
- Not later than one (1) year	2,723	-
- Later than 1 year and not later than 2 years	4,287	-
- Later than 2 year and not later than 3 years	2,623	-
- Later than 3 year and not later than 4 years	2,623	-
- Later than 4 year and not later than 5 years	1,967	-
	14,223	-

- (a) Term loan is related to refinancing of the Group's certain marine equipment.
- (b) Term loan is secured by charge of subsidiary's certain marine equipment and capital work in progress as disclosed in Note 4(d) to the financial statements.
- (c) Information on financial risks of term loans and the remaining maturities is disclosed in Note 33 to the financial statements.

21. OTHER BORROWINGS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current				
Bridging loan	-	721	-	-
Current				
Revolving credits	5,000	5,000	5,000	5,000
Financial guarantee contracts	-	-	694	91
Bridging Loan	722	-	-	-
Mezzanine loans:				
- Director	14,251	7,251	14,251	7,251
- Related parties	-	1,000	-	1,000
Total current other borrowings	19,973	13,251	19,945	13,342
Total other borrowings	19,973	13,972	19,945	13,342

Notes To The Financial Statements
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21. OTHER BORROWINGS (CONT'D)

- (a) The other borrowings of the Group and of the Company relate to trade and working capital credit facilities that are secured by:
- (i) Mezzanine loan is secured by corporate guarantees from a subsidiary of the Company;
 - (ii) Bridging loan is secured by corporate guarantees from the Company and pledge of surplus monies in the Housing Development Account (HDA) as disclosed in Note 13(d) to the financial statements; and
 - (iii) Revolving credits are secured by pledge of fixed deposits as disclosed in Note 13(c) to the financial statements and pledge of inventory as disclosed in Note 9(e) to the financial statements.
- (b) Financial guarantee contracts issued are initially measured at fair value. Subsequently, they are measured at higher of:
- (i) the amount of the loss allowance; and
 - (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15, *Revenue from Contracts with Customers*.
- (c) Information on financial risks of other borrowings and their remaining maturities is disclosed in Note 33 to the financial statements.

22. REVENUE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<i>Revenue from contracts with customers</i>				
Sale of completed properties	700	160	700	-
Property development revenue	3,883	5,452	-	-
Services rendered	11,911	10,926	-	-
	16,494	16,538	700	-
<i>Revenue from leases</i>				
Leasing	14,563	13,941	-	-
Revenue from continued operations	31,057	30,479	700	-
	31,057	30,479	700	-
Timing of revenue recognition				
Transferred over time	15,794	11,878	-	-
Transferred at a point in time	700	4,660	700	-
	16,494	16,538	700	-

Notes To The Financial Statements

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22. REVENUE (CONT'D)

- (a) Revenue from contracts with customer is disaggregated in Note 31 to the financial statements by geographical area.

- (b) Sale of completed properties

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

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

- (c) Revenue from property development and construction contracts

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

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

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

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

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

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

- (d) Energy services income

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

- (e) Leasing

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

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23. FINANCE COSTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest expense:				
- term loans	373	7	-	-
- other borrowings	1,892	790	1,640	774
- intercompany advance	-	-	9	84
Unwinding of discount (RCPS)	482	532	-	-
Others - facility fees	786	150	107	70
	3,533	1,479	1,756	928

24. LOSS BEFORE TAX

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
After charging:				
Auditors' remuneration:				
- Statutory audit				
- BDO PLT	124	118	60	58
- Other auditors	137	135	-	-
- Non-statutory audit				
- BDO PLT	9	15	6	6
- Other auditors	9	-	-	-
Inventories written down	1,026	13,481	32	-
Realised loss on foreign exchange	23	1,053	-	-
Unrealised loss on foreign exchange	109	-	-	-
Fair value loss on short term funds	-	4	-	4
Fair value loss on financial guarantee contracts	-	-	686	-
And crediting:				
Fair value gain on derivatives	74	-	137	-
Unrealised gain on foreign exchange	-	805	-	-
Gain on disposal of subsidiary	120	-	200	-
Interest income received from:				
- fixed deposits with licensed banks	111	16	24	2
- short term funds	22	99	3	42
- subsidiaries	-	-	5,742	4,971
Unrealised gain on foreign exchange	-	805	-	-
Management fees from subsidiaries	-	-	953	682

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25. TAX EXPENSE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current tax expense based on loss for the financial year				
- Current year	232	100	-	-
- Under/(Over) provision in prior years	57	(39)	-	2
Total tax expense	289	61	-	2

- (a) Malaysian income tax is calculated at the statutory tax rate of 24% (2023: 24%) of the estimated taxable profits for the fiscal year.
- (b) Tax expense for other tax authorities are calculated at the rates prevailing in those respective jurisdictions.
- (c) Numerical reconciliation between the tax expense and the product of accounting loss multiplied by applicable tax rate of the Group and of the Company are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Loss before tax	(16,171)	(39,476)	(14,990)	(31,310)
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	(3,881)	(9,474)	(3,598)	(7,514)
Non-allowable expenses	2,716	7,637	3,691	7,485
Non-taxable income	(465)	(358)	(51)	(47)
Deferred tax assets not recognised	1,890	2,447		76
Utilisation of previously unrecognised deferred tax assets	-	-	(42)	-
Effect of different tax rate in foreign jurisdiction	(28)	(152)	-	-
	232	100	-	-
Under/(Over) provision in prior years:				
- income tax	57	(39)	-	2
Total	289	61	-	2

Notes To The Financial Statements
31 March 2024
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25. TAX EXPENSE (CONT'D)

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

	Before tax RM'000	Group Tax effect RM'000	After tax RM'000
Items that may be reclassified subsequently to profit or loss			
2024			
Foreign currency translations	5,022	-	5,022
2023			
Foreign currency translations	2,487	-	2,487

26. WARRANTS 2020/2025

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

Salient features of the Warrants are as follows:

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

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26. WARRANTS 2020/2025 (CONT'D)

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

There was no exercise of Warrant during the current and previous financial year end.

27. LOSS PER ORDINARY SHARE

- (a) Basic

loss per ordinary share for the financial year is calculated by dividing the loss for the financial year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2024	2023
Loss attributable to equity holders of the Company (RM'000)	(14,877)	(25,476)
Weighted average number of ordinary shares in issue after deducting the treasury shares ('000)	134,919	134,919
<hr/>		
Basic loss per ordinary share (sen) for:		
Loss for the financial year	(11.03)	(18.88)
<hr/>		
Diluted loss per ordinary share (sen) for:		
Loss for the financial year	(11.03)	(18.88)
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- (b) The diluted loss per share for the current financial year is anti-dilutive. The warrants exercise price is more than the average share price for the current and previous financial year. The ESOS exercise price is more than the average share price for the current and previous financial year. Accordingly, the diluted loss per share for the current and previous financial year is presented as equal to basic earnings per shares.

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28. EMPLOYEE BENEFITS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Salaries, wages, bonus and allowances	6,027	5,845	4,382	4,143
Defined contribution plan	672	899	487	661
Other employee benefits	1,108	849	452	231
Share options granted under ESOS:				
- Directors	228	11	228	11
- Key Management Personnel [^]	60	5	30	5
- Other employees	69	2	69	2
	8,164	7,611	5,648	5,053

[^] Other than Directors

Included in the employee benefits of the Group and the Company is Directors' remuneration amounting to RM2,638,000 (2023: RM2,435,000).

29. EMPLOYEES' SHARES SCHEME ("ESS")

In the Extraordinary General Meeting on 9 February 2018, the Shareholders have approved the ESS comprising Employees' Option Scheme ("ESOS") and Employees' Share Grant ("ESG") that came into effect on 12 February 2018 for a period of 5 years up to 12 February 2023. Subsequently, the Company has extended the duration of the ESS for another 5 years to 12 February 2028.

On 1 June 2022, the Company made an offer of 6,100,000 ESOS Option under the ESS ("1st Award") to the eligible Directors and employees of the Company and its subsidiaries (collectively as "Eligible Persons"). The ESOS Option was offered in 2 tranches with the 1st tranche of 40% comprising 2,440,000 ESOS Option with no vesting period and the 2nd tranche of 60% comprising 3,660,000 ESOS Option with a vesting period of 1 year till 31 May 2023.

The Company had subsequently on 2 January 2024 made an offer of 11,900,000 new ESOS Option ("2nd Award") for an option period of three (3) years commencing from 2 January 2024 and expiring on 1 January 2027 to the Eligible Persons.

The total number of outstanding ESOS Options granted under the ESS as at the financial year end is 17,400,000.

The main features of the ESOS are as follows:

- (a) The ESOS is made available to eligible employees and Directors (including non-executive Directors) (collectively as "Eligible Person") who are confirmed employees of the Company and its non-dormant subsidiaries as defined in the Companies Act 2016 in Malaysia, as amended from time to time, and any re-enactment thereof;
- (b) The total number of shares offered under the ESOS shall not, in aggregate, exceed 15% of the total issued ordinary shares of the Company (excluding treasury shares, if any) at any time during the existence of the ESOS;
- (c) The option price under the ESOS shall be the five-day weighted average market price of the shares as quoted on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") at the time the option is granted with a discount of not more than 10% if deemed appropriate;

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(Cont'd)

29. EMPLOYEES' SHARES SCHEME ("ESS") (CONT'D)

The main features of the ESOS are as follows: (Cont'd)

- (d) The maximum number of shares, which may be offered to an Eligible Person shall be at the sole discretion of the ESS Committee after taking into consideration, amongst others, the performance, targets, position, annual appraised performance, seniority and length of service of eligible employee's position, performance and length of service of the Eligible Person, or such other matters that the ESS Committee may in its sole discretion deem fit, subject to the following:
- (i) not more than 10% of the shares available under the ESOS shall be allocated to any individual Eligible Person who, either singly or collectively through persons connected with the Eligible Person, holds 20% or more of the issued ordinary shares of the Company (excluding treasury shares, if any).
- (e) An option granted under the ESOS may be exercised by the grantee upon achieving the vesting conditions set by the ESS Committee; and
- (f) The shares shall on issue and allotment rank pari passu in all respects with the then existing issued shares of the Company.

The number of options over ordinary shares under the option scheme was as follows:

Category of participants	----- Number of options over ordinary shares -----				
	Balance as at 1.4.2023	Granted	Forfeited*	Balance as at 31.3.2024	Exercisable as at 31.3.2024
1 st Award of ESOS Option					
Directors	3,500,000	-	-	3,500,000	3,500,000
Key Management Personnel^ and Employees	2,300,000	-	(300,000)	2,000,000	2,000,000
	5,800,000	-	(300,000)	5,500,000	5,500,000
Exercise price					RM1.10
2 nd Award of ESOS					
Directors	-	7,600,000	-	7,600,000	7,600,000
Key Management Personnel^ and Employees	-	4,300,000	-	4,300,000	4,300,000
	-	11,900,000	-	11,900,000	11,900,000
Exercise price					RM0.80
Total					
Directors	3,500,000	7,600,000	-	11,100,000	11,100,000
Key Management Personnel^ and Employees	2,300,000	4,300,000	(300,000)	6,300,000	6,300,000
	5,800,000	11,900,000	(300,000)	17,400,000	17,400,000

^ Other than Directors

The fair value of share options was estimated by the Group using the Black-Scholes-Merton option pricing model, taking into account the terms and conditions upon which the options were granted. The fair value of share option measured at grant date and the assumptions used are as follows:

	2024	2023
Average share price at grant date (RM)	0.62	0.76
Exercise price (RM)	0.80	1.10
Fair value of share options (RM)	0.0300	0.0037
Risk free rate of interest (%)	3.49	3.75
Expected life of options (years)	3	4
Expected volatility (%)	15.46	13.03

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30. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties of the Group include:

- (i) Direct and indirect subsidiaries as disclosed in Note 6 to the financial statements;
- (ii) Key management personnel, which comprises persons (including the Directors of the Company) having authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly; and
- (iii) Company in which a Director is also a Director cum shareholder of the Company.

(b) Significant related party transactions and balances

In addition to the transactions and balances detailed elsewhere in the financial statements, the Company had the following transactions with related parties during the financial year:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<i>Related parties:</i>				
Interest expenses	877	378	877	369
Disposal of subsidiary	1,200	-	-	-
<i>Subsidiaries:</i>				
Interest income	-	-	5,742	4,971
Management fees received/ receivable	-	-	953	682
<i>Director:</i>				
Interest expenses	370	70	370	70

The related party transactions described above were carried out on terms and conditions mutually agreed with the respective parties.

Balances of the above related parties are disclosed in Notes 10 and 18 to the financial statements.

(c) Key management personnel

The remunerations of Directors of the Company during the financial year were as follows:

	Group and Company	
	2024 RM'000	2023 RM'000
Fees	386	372
Salaries	1,337	1,337
Other emoluments	687	715
Share options granted under ESOS	228	11
	2,638	2,435

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30. RELATED PARTY DISCLOSURES

(c) Key management personnel (Cont'd)

The remuneration of key management personnel other than the Directors of the Company are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Salaries, bonus and allowance	1,426	1,774	727	913
Defined contribution plan	159	230	77	118
Share options granted under ESOS	90	5	60	5
	1,675	2,009	864	1,036

31. OPERATING SEGMENTS

Operating segments are defined as components of the Group that:

- Engages in business activities from which it could earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group);
- Whose operating results are regularly reviewed by the chief operating decision maker of the Group in making decisions about resources to be allocated to the segment and assessing its performance; and
- For which discrete financial information is available.

An operating segment may engage in business activities for which it has yet to earn revenues.

The Group reports separately information about each operating segment that meets any of the following quantitative thresholds:

- Its reported revenue, including both sales to external customers and intersegment sales or transfers, is ten per cent (10%) or more of the combined revenue, internal and external, of all operating segments.
- The absolute amount of its reported profit or loss is ten per cent (10%) or more of the greater, in absolute amount of:
 - The combined reported profit of all operating segments that did not report a loss; and
 - The combined reported loss of all operating segments that reported a loss.
- Its assets are ten per cent (10%) or more of the combined assets of all operating segments.

Operating segments that do not meet any of the quantitative thresholds may be considered reportable, and separately disclosed, if the management believes that information about the segment would be useful to users of the financial statements.

Total external revenue reported by operating segments shall constitute at least seventy five (75%) percent of the revenue of the Group. Operating segments identified as reportable segments in the current financial year in accordance with the quantitative thresholds would result in a restatement of prior period segment data for comparative purposes.

Segment performance is evaluated based on operating profit, excluding non-recurring losses, and in certain respect as explained in the table below, it is measured differently from operating profit in consolidated financial statements.

Inter-segment revenue is priced along the same lines as sales to external customers and conditions and is eliminated on the consolidated financial statements. These policies have been applied consistently throughout the current and previous financial years.

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31. OPERATING SEGMENTS (continued)

Segment assets exclude current tax assets, deferred tax assets and assets used primarily for corporate purposes.

Segment liabilities exclude current tax liabilities and deferred tax liabilities. Even though loans and borrowings arise from financing activities rather than operating activities, they are allocated to the segments based on relevant factors (e.g. funding requirements). Details are provided in the reconciliations from segments assets and liabilities to the Group position.

The Group is principally engaged in property development, energy logistics, Maintenance, Repair and Overhaul (“MRO”) services, investment holding activities and other management services activities. The reportable segments of the Group are summarised as follows:

- (a) Property development: Joint venture property development activities with projects in Malaysia and the United Kingdom (“UK”)
- (b) Energy logistics: Provision of logistics/chartering, engineering, operation and maintenance services relating to the energy sector
- (c) MRO services: Provision of MRO, engineering and fabrication services to various sectors
- (d) Investment holdings and others: Investment holdings and provision of management services activities

2024	Property development RM'000	Energy logistics RM'000	MRO services RM'000	Investment holdings and others RM'000	Total RM'000
Revenue					
Total revenue	4,583	25,433	1,041	-	31,057
Inter-segment revenue	-	-	-	-	-
Revenue from external customers	4,583	25,433	1,041	-	31,057
Segment loss before tax	(3,355)	(3,013)	(1,680)	(8,123)	(16,171)
Interest income	19	64	23	27	133
Finance costs	(538)	(1,248)	-	(1,747)	(3,533)
Lease interest	(120)	-	(4)	(6)	(130)
Net finance expense	(639)	(1,184)	19	(1,726)	(3,530)
Depreciation of property, plant and equipment	(16)	(5,770)	(20)	(30)	(5,836)
Amortisation of right-of-use assets	(162)	-	(30)	(94)	(286)
Impairment loss on property, plant and equipment	-	(519)	-	-	(519)
Total depreciation, amortisation and impairment loss	(178)	(6,289)	(50)	(124)	(6,641)
Inventories written down	(994)	-	-	(32)	(1,026)
Gain on disposal of subsidiary	-	-	-	120	120
Segment assets	68,496	74,119	1,088	8,181	151,884
Segment liabilities	38,117	20,903	644	19,885	79,549

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31. OPERATING SEGMENTS (CONT'D)

	Property development RM'000	Energy logistics RM'000	MRO services RM'000	Investment holdings and others RM'000	Total RM'000
2024 (Cont'd)					
Other information:					
Additions to non-current assets other than financial instruments	-	10,827	591	-	11,418
Remeasurement of non-current assets other than financial instruments	-	-	-	205	205
2023					
Revenue					
Total revenue	5,612	23,663	1,204	-	30,479
Inter-segment revenue	-	-	-	-	-
Revenue from external customers	5,612	23,663	1,204	-	30,479
Segment loss before tax	(15,441)	(15,231)	(1,066)	(7,738)	(39,476)
Interest income	19	47	5	44	115
Finance costs	(548)	(84)	(3)	(844)	(1,479)
Lease interest	(120)	(1)	-	(3)	(124)
Net finance expense	(649)	(38)	2	(803)	(1,488)
Depreciation of property, plant and equipment	(17)	(5,605)	(14)	(32)	(5,668)
Amortisation of right-of-use assets	(163)	(151)	-	(89)	(403)
Impairment loss on goodwill	-	-	-	(400)	(400)
Total depreciation, amortisation and impairment loss	(180)	(5,756)	(14)	(521)	(6,471)
Inventories written down	(13,481)	-	-	-	(13,481)
Segment assets	68,707	72,872	1,311	10,019	152,909
Segment liabilities	40,283	11,462	1,249	13,625	66,619
Other information:					
Additions to non-current assets other than financial instruments	3	-	-	3	6
Remeasurement of non-current assets other than financial instruments	-	-	-	163	163

Notes To The Financial Statements
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31. OPERATING SEGMENTS (continued)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities to the corresponding amounts of the Group are as follows:

	2024	2023
	RM'000	RM'000
Assets		
Total assets for reportable segments	151,884	152,909
Current tax assets	44	212
<hr/>		
Assets of the Group	151,928	153,121
<hr/>		
Liabilities		
Total liabilities for reportable segments	79,549	66,619
Current tax liabilities	76	276
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Liabilities of the Group	79,625	66,895
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Geographical information

The Group predominantly operates in Malaysia save for a part of its property development business that operates in the United Kingdom under ENRA Property (UK) Limited's Group. In determining geographical segment of the Group, revenue is based on the geographical location of customers. Non-current assets are based on the geographical location of the assets.

	Revenue		Non-current assets	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Malaysia	5,624	6,678	9,492	9,221
Myanmar	25,433	23,641	11,856	62,766
Singapore	-	-	59,887	-
United Kingdom	-	160	-	-
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	31,057	30,479	81,235	71,987
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Major customers

Other than a single customer who contributed about 82% (2023: 78%) to the revenue of the Group, there is no other customer who contributed significantly to the revenue of the Group.

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32. FINANCIAL INSTRUMENTS

(a) Capital management

The primary objective of the capital management of the Group and the Company is to ensure that the entities of the Group and the Company would be able to continue as going concerns while maximising the returns to shareholders through the optimisation of the debt and equity balance. The overall strategy of the Group and the Company remains unchanged from that in the financial year ended 31 March 2023.

The Group and the Company manage its capital structure and makes adjustments to it, in light of changes in the economic conditions. In order to maintain or adjust the capital structure, the Group and the Company may from time to time adjust the dividend payout to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2023 and 31 March 2024.

The Group and the Company monitor capital using a gearing ratio, which is total external borrowings and divided by total equity attributable to owners of the parent. The policy of the Group and the Company is to keep the gearing ratio within manageable levels. At the end of the reporting period, the Group's and the Company's gearing ratio is 0.45 times (2023: 0.16 times) and 0.23 times (2023: 0.13 times) respectively.

Pursuant to the requirements of Practice Note No. 17/2005 of the Bursa Malaysia Securities, the Group is required to maintain a consolidated shareholders' equity of more than 25% of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40.00 million. The Group has complied with this requirement for the financial year ended 31 March 2024.

(b) Determination of fair value

The methods and assumptions used to estimate fair values of financial assets and financial liabilities are as follows:

- (i) Financial instruments that are not carried at fair value and whose carrying amounts are a reasonable approximation of fair values.

The carrying amounts of financial assets and liabilities, such as trade and other receivables, trade and other payables and borrowings are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

The carrying amounts of the current position of borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

- (ii) Hire-purchase and lease creditors and other borrowings

The fair values of these financial instruments are estimated by future contractual cash flows at current market rate for similar financial instruments and of the same remaining maturities at the end of the reporting period.

Notes To The Financial Statements
31 March 2024
(Cont'd)

32. FINANCIAL INSTRUMENTS (CONT'D)

(b) Determination of fair value (Cont'd)

(iii) Land entitlement payment - non current

The fair value of land entitlement payment is estimated by the amount that would be payable upon settlement using a valuation technique with market observable inputs.

(iv) Short term funds

The fair values of short term funds are determined by reference to the exchange quoted market bid prices at the close of the business at the end of each reporting period.

(v) Forward foreign currency contracts

The fair value of a forward foreign exchange contract is the amount that would be payable or receivable upon termination of the outstanding position arising and valued using a valuation technique with market observable inputs. The derivatives arising from the forward currency contracts are stated at fair value using the prevailing market rate. The fair value changes are attributable to changes in foreign exchange spot and forward rate.

(c) Fair value hierarchy

Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event of change in circumstances that causes the transfers.

The carrying amount of cash and cash equivalents (excluding short term funds), short term receivable and payables and short term borrowings reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

Notes To The Financial Statements
31 March 2024
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32. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value hierarchy (Cont'd)

The table below analyses other financial instruments at fair value:

2024	Fair value of financial instruments carried at fair value					Fair value of financial instruments not carried at fair value					Total fair value RM'000	Carrying amount RM'000	
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000				
Group													
Financial assets													
Short term funds	380	-	-	380	-	-	-	-	-	-	380	380	
Financial liabilities													
Derivatives liabilities	-	40	-	40	-	-	-	-	-	-	40	40	
Land entitlement payment	-	-	20,969	20,969	-	-	-	-	-	-	20,969	20,969	
Other borrowings	-	-	-	-	-	-	19,973	-	19,973	-	19,973	19,973	
RCPS	-	-	-	-	-	-	-	6,916	6,916	-	6,916	6,916	
Company													
Financial assets													
Short term funds	380	-	-	380	-	-	-	-	-	-	380	380	
Financial liability													
Derivative liability	-	37	-	37	-	-	-	-	-	-	37	37	
Other borrowings	-	-	-	-	-	-	19,945	-	19,945	-	19,945	19,945	

Notes To The Financial Statements
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(Cont'd)

32. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value hierarchy (Cont'd)

The table below analyses other financial instruments at fair value: (Cont'd)

2023	Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value RM'000	Carrying amount RM'000	
		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000			
	Financial assets											
	Derivative assets	-	98	-	98	-	-	-	-	-	98	98
	Short term funds	2,200	-	-	2,200	-	-	-	-	-	2,200	2,200
	Financial liabilities											
	Land entitlement payment	-	-	22,668	22,668	-	-	-	-	-	22,668	22,668
	Other borrowings	-	-	-	-	-	13,972	-	13,972	-	13,972	13,972
	RCPS	-	-	-	-	-	-	7,491	7,491	-	7,491	7,491
	Company											
	Financial assets											
	Derivative assets	-	41	-	41	-	-	-	-	-	41	41
	Short term funds	2,200	-	-	2,200	-	-	-	-	-	2,200	2,200
	Financial liability											
	Other borrowings	-	-	-	-	-	13,342	-	13,342	-	13,342	13,342

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31 March 2024

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32. FINANCIAL INSTRUMENTS (CONT'D)

- (c) Fair value hierarchy (Cont'd)

Level 3 fair value

The significant unobservable input used in determining the fair value measurement of Level 3 financial instruments as well as the relationship between key unobservable inputs and fair value, is detailed in the table below:

Financial instruments	Valuation technique used	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value
<u>Financial liabilities</u>			
RCPS	Discounted cash flows method	Discount rate 5.00%	The higher the discount rate, the lower the fair value of the liabilities would be.

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial risk management objective of the Group is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from fluctuations in interest rates and the unpredictability of the financial markets.

The Group operates within an established risk management framework and clearly defined guidelines that are regularly reviewed by the Board of Directors and does not trade in derivative financial instruments. Financial risk management is carried out through risk review programmes, internal control systems, insurance programmes and adherence to the Group financial risk management policies. The Group is exposed mainly to credit risk, interest rate risk, liquidity and cash flow risk and foreign currency risk. Information on the management of the related exposures is detailed below.

- (i) Credit risk

Cash deposits and trade receivables may give rise to credit risk, which requires the loss to be recognised if a counter party fails to perform as contracted. It is the Group's policy to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The Group's primary exposure to credit risk arises through its trade receivables. The credit period is generally for a period of 30 days to 60 days. The exposure to credit risk is monitored on an ongoing basis.

At the end of the reporting period, the Group does not have any significant exposure to any individual customer or counterparty other than 81% (2023: 98%) of the Group's trade receivables as at reporting date were due from three (3) (2023: three (3)) major customers. The Group does not anticipate the carrying amount recorded at the reporting period to be significantly different from the values that would eventually be received.

Other than the amounts owing by the subsidiaries amounting to RM80,010,000 (2023: RM80,514,000), which represent 99% (2023: 99%) of trade and other receivables of the Company, there is no significant concentration of credit risk of the Company.

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(i) Credit risk (Cont'd)

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

Information regarding credit enhancements for trade and other receivables is disclosed in Note 10 to the financial statements.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group and of the Company would fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from their fixed deposits with licensed banks, short term funds, borrowings and amounts due from subsidiaries. The Group borrows at both, fixed and floating rates of interest to generate the desired interest profile and to manage the exposure of the Group and of the Company to interest rate fluctuations.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity analysis of the Group and of the Company if interest rates at the end of reporting period changed by 10 basis points with all other variables held constant:

	Group		Company	
	2024 RM'000 (Loss)/ Profit after tax	2023 RM'000 Profit/ (Loss) after tax	2024 RM'000 (Loss)/ Profit after tax	2023 RM'000 Profit/ (Loss) after tax
Increased by 0.1% (2023: 0.1%)	(15)	(3)	(4)	(2)
Decreased by 0.1% (2023: 0.1%)	15	3	4	2

There is no impact to the equity as a result of changes of interest rate for floating rate instruments as at the end of the reporting period.

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(Cont'd)

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(ii) Interest rate risk (Cont'd)

The following tables set out the carrying amounts, the weighted average effective interest rates as at the end of reporting period and the remaining maturities of the financial instruments of the Group and of the Company that are exposed to interest rate risk:

Group	Note	Weighted average effective interest rate %	Within 1 year RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	More than 5 years RM'000	Total RM'000
At 31 March 2024									
Fixed rates									
Fixed deposits with licensed banks	13	2.52	2,981	-	-	-	-	-	2,981
Short term funds	13	2.90	380	-	-	-	-	-	380
Other borrowings	21	12.42	(14,252)	-	-	-	-	-	(14,252)
RCPS liability	15	7.64	(6,916)	-	-	-	-	-	(6,916)
Floating rates									
Other borrowings	21	7.54	(5,721)	-	-	-	-	-	(5,721)
Term loan	20	9.30	(2,724)	(4,287)	(2,623)	(2,623)	(1,967)	-	(14,224)
At 31 March 2023									
Fixed rates									
Fixed deposits with licensed banks	13	2.87	3,714	-	-	-	-	-	3,714
Other borrowings	21	12.73	(8,251)	-	-	-	-	-	(8,251)
RCPS liability	15	7.64	(1,057)	(6,434)	-	-	-	-	(7,491)
Floating rates									
Short term funds	13	2.75	2,200	-	-	-	-	-	2,200
Other borrowings	21	7.57	(5,000)	(721)	-	-	-	-	(5,721)

Notes To The Financial Statements
31 March 2024
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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(ii) Interest rate risk (Cont'd)

The following tables set out the carrying amounts, the weighted average effective interest rates as at the end of reporting period and the remaining maturities of the financial instruments of the Group and of the Company that are exposed to interest rate risk (Cont'd):

Company	Note	Weighted average effective interest rate %	Within 1 year RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	More than 5 years RM'000	Total RM'000
At 31 March 2024									
Fixed rates									
Amounts due from subsidiaries	10	8.96	78,387	1,623	-	-	-	-	80,010
Fixed deposits with licensed banks	13	2.53	2,800	-	-	-	-	-	2,800
Short term funds	13	2.9	380	-	-	-	-	-	380
Other borrowings	21	12.42	(14,251)	-	-	-	-	-	(14,251)
Floating rates									
Other borrowings	21	7.47	(5,000)	-	-	-	-	-	(5,000)
At 31 March 2023									
Fixed rates									
Fixed deposits with licensed banks	13	2.62	2,100	-	-	-	-	-	2,100
Amounts due from subsidiaries	10	8.61	80,514	-	-	-	-	-	80,514
Amount due to a subsidiary	18	10.00	(1,500)	-	-	-	-	-	(1,500)
Other borrowings	21	12.73	(8,251)	-	-	-	-	-	(8,251)
Floating rates									
Short term funds	13	2.75	2,200	-	-	-	-	-	2,200
Other borrowings	21	7.28	(5,000)	-	-	-	-	-	(5,000)

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(iii) Liquidity and cash flow risks

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of the Group.

The Group actively manages its operating cash flow to ensure all commitments and funding needs are met. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the liabilities of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations.

2024	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
Financial liabilities				
Trade and other payables	15,168	21,146	-	36,314
RCPS liability	7,039	-	-	7,039
Lease liabilities	309	725	5,827	6,861
Borrowings	21,999	12,232	-	34,231
Derivatives liabilities	40	-	-	40
Total undiscounted financial liabilities	44,555	34,103	5,827	84,485
Company				
Financial liabilities				
Trade and other payables	1,391	-	-	1,391
Lease liabilities	98	171	-	269
Borrowings	21,395	-	-	21,395
Financial guarantee contracts	15,702*	-	-	15,702
Derivatives liabilities	37	-	-	37
Total undiscounted financial liabilities	38,623	171	-	38,794

* Includes the maximum exposure of the liquidity risk for the financial guarantees given by the Company for credit facilities granted to the subsidiaries.

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(iii) Liquidity and cash flow risks (Cont'd)

Analysis of financial instruments by remaining contractual maturities (Cont'd)

The table below summarises the maturity profile of the liabilities of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations (Cont'd).

2023 Group	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Financial liabilities				
Trade and other payables	19,498	22,830	-	42,328
RCPS liability	1,057	7,039	-	8,096
Lease liabilities	219	559	5,941	6,719
Borrowings	14,665	792	-	15,457
Total undiscounted financial liabilities	35,439	31,220	5,941	72,600
Company				
Financial liabilities				
Trade and other payables	2,558	-	-	2,558
Lease liabilities	98	73	-	171
Financial guarantee contract	812*	-	-	812
Borrowings	14,665	-	-	14,665
Total undiscounted financial liabilities	18,133	73	-	18,206

* Includes the maximum exposure of the liquidity risk for the financial guarantees given by the Company for credit facilities granted to the subsidiaries.

(iv) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in foreign exchange rates.

The Group is subject to foreign exchange fluctuations through the import and export of finished goods. The Group also has cash and bank balances, receivables, payables and borrowings denominated in foreign currencies. At the end of reporting period, the Group holds bank balance denominated in foreign currencies as disclosed in Note 13(f) to the financial statements.

The Group is also exposed to foreign currency risk in respect of the foreign subsidiaries.

Notes To The Financial Statements

31 March 2024

(Cont'd)

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(iv) Foreign currency risk (Cont'd)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity analysis of the Group and of the Company to a reasonably possible change of exchange rates in the US Dollar ("USD"), British Pound ("GBP") and Singapore Dollar ("SGD") against RM respectively, with all variables held constant. 3% is the sensitivity rate used when reporting foreign currency risk exposures internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates.

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
(Loss)/Profit after tax				
USD/RM - strengthen by 3% (2023: 3%)	(301)	(39)	-	-
- weaken by 3% (2023: 3%)	301	39	-	-
GBP/RM - strengthen by 3% (2023: 3%)	(142)	(128)	-	-
- weaken by 3% (2023: 3%)	142	128	-	-
SGD/RM - strengthen by 3% (2023: 3%)	(51)	(51)	(51)	(51)
- weaken by 3% (2023: 3%)	51	51	51	51

There is no impact to the equity as a result of changes of foreign exchange rates as at the end of the reporting period.

34. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs**34.1 New MFRSs adopted during the financial year**

The Group and the Company adopted the following Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective date
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 112 <i>International Tax Reform - Pillar Two Model Rules</i>	Refer paragraph 98M of MFRS 112

Adoption of the above Standards did not have any material effect on the financial performance or position of the Group and of the Company, other than the following:

Notes To The Financial Statements
31 March 2024
(Cont'd)

34. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs (CONT'D)

34.1 New MFRSs adopted during the financial year (Cont'd)

- (a) MFRS 17 Insurance Contracts and Amendments to MFRS 17 Initial Application of MFRS 17 and MFRS9 - Comparative Information

MFRS 17 establishes the principles for recognition, measurement, presentation and disclosure of insurance contracts and supersedes MFRS 4 Insurance Contracts.

MFRS 17 outlines three measurement approaches for different types of insurance contracts – general measurement model, premium allocation approach and variable fee approach. The general measurement model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of options and guarantees of policyholders. The general measurement model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach. Variable fee approach is applicable for insurance contracts with direct participation features.

Amendments to MFRS 17 adds a new transition option to MFRS 17 (the 'classification overlay') to alleviate operational complexities and one-time accounting mismatches in comparative information between insurance contract liabilities and related financial assets on the initial application of MFRS17. It allows presentation of comparative information about financial assets to be presented in a manner that is more consistent with MFRS 9 Financial Instruments.

The Group and the Company do not have any contracts that meet the definition of an insurance contract under MFRS 17, except for corporate guarantee provided to subsidiaries, which are financial guarantee contracts that the Group and the Company had previously explicitly asserted under MFRS 4. The Group and the Company made an irrevocable choice to apply MFRS 9 Financial Instruments on a contract-by-contract basis to these financial guarantee contracts as at the date of transition to MFRS 17

In relation to this, the Company recognised financial guarantee contracts, recognising the difference in retained earnings. The impact on transition is summarised below:

Company	Note	As at 31 March 2023 RM'000	Impact RM'000	As at 1 April 2023 RM'000
Borrowings	19	13,251	91	13,342
Deferred tax assets		-	*	-
Accumulated losses		(44,322)	(91)	(44,413)

* The deferred tax assets are not recognised as it is immaterial to the Company

Notes To The Financial Statements

31 March 2024

(Cont'd)

34. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs (CONT'D)**34.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2024**

Title	Effective date
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024
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 Amendments since the effects would only be observable for future financial years.

35. SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE REPORTING PERIOD

(a) Investment in Subsidiaries

(i) Acquisition of Hexagon SBM (Sarawak) Sdn. Bhd.

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

(ii) Incorporation of a subsidiary, Hexagon Marine Services (S) Pte. Ltd.

On 23 May 2024, HELSB, an indirect wholly owned subsidiary of the Company, incorporated a new subsidiary in Singapore known as Hexagon Marine Services (S) Pte. Ltd., 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).

(b) Proposed 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 13,491,800 Placement Shares on the Main Market of Bursa Securities on 5 July 2024.

PROPERTIES OWNED BY THE GROUP

	Location/ Address	Built-Up Area (Sq. Ft.)	Existing Use/ Description of Property	Tenure	Approximate Age of Building	Carrying Amount As At 31 March 2024 (RM'000)
1	Condominium units: C-35-03A	873	Residential unit for sale	Leasehold	8 years	3,994
2	C-23A-08	873	Residential unit for sale	Leasehold		
3	R-09-03A	1,054	Residential unit for sale	Leasehold		
4	R-08-01	1,272	Residential unit for sale	Leasehold		
5	R-13A-03A	1,054	Residential unit for sale	Leasehold		
6	R-08-12 located at Shamelin Star Residences, 36A, Jalan 4/91, Taman Shamelin Perkasa, 56100 Kuala Lumpur (owned by ENRA Group Berhad)	1,272	Residential unit for sale	Leasehold		
7	Marjorie Hume House, Church Walk, Church Street, Rugby, the United Kingdom, held under title WK205515 (owned by Caldecott Square Rugby Limited)	N/A	Vintage building for redevelopment	Freehold	135 years	18,677
8	Herbert Gray College, Little Church Street, Rugby, the United Kingdom, held under title WK167310 (owned by Caldecott Square Rugby Limited)	N/A	Vintage building for redevelopment	Freehold	175 years	
9	St Andrew's Church House, Church Walk, Church Street, Rugby, the United Kingdom, held under title WK462131, held under title WK462131 (owned by Abode Caldecott Square Development Limited)	N/A	Vintage building for redevelopment	Freehold	85 years (ASLL)	4,196
10	Leasehold land (yet to be reclaimed), under title Pajakan Negeri No. Hakmilik 11169, Lot 30648, Daerah Wilayah Persekutuan Labuan. (owned by ENRA Labuan Sdn Bhd)	2,613,600 square feet (24.28 hectares/ 60 acres)	Undersea land (yet to be reclaimed)	Leasehold until 26 May 2076	N/A	8,567
11	Malay reserved land under title 45, Lot 5292, Batu 10, Jenderam Hulu, Mukim Dengkil, Sepang, Selangor Darul Ehsan (developed by DV Homes Sdn Bhd, under a Joint Venture Agreement with the land owner.)	165,269 square feet (1.5354 hectare/ 3.794 acres)	Developed for affordable homes project (under construction)	Leasehold until 15 Dec 2079	N/A	6,281
12	Malay reserved land under title 2844, Lot 6452, Batu 7, Jalan Maran, Mukim Bukit Segumpal, Maran, Pahang Darul Makmur (developed by Makmur Homes Sdn Bhd, under a Joint Venture Agreement with the land owner.)	285,889 square feet (2.656 hectare/ 6.563 acres)	Developed for affordable homes project (under construction - earthwork)	Leasehold until 3 Jan 2062	N/A	8,723
13	Malay reserved land under title 1287, Lot 4157, Bukit Kemandol, Mukim Teluk Panglima Garang, Kuala Langat, Selangor Darul Ehsan (developed by Prominent Archway Sdn Bhd, under a Joint Venture Agreement with the land owners.)	161,986 square feet (1.5049 hectare/ 3.719 acres)	Land held for property development	Leasehold until 18 Jan 2072	N/A	5,638

Properties Owned By The Group (Cont'd)

	Location/ Address	Built-Up Area (Sq. Ft.)	Existing Use/ Description of Property	Tenure	Approximate Age of Building	Carrying Amount As At 31 March 2024 (RM'000)
14	Malay reserved land under title 712, Lot 51, Mukim Morib, Kuala Langat, Selangor Darul Ehsan (developed by Prominent Archway Sdn Bhd, under a Joint Venture Agreement with the land owners.)	76,230 square feet (0.8852 hectare/ 1.75 acres)	Land held for property development	Freehold	N/A	1,713
15	Malay reserved land under title 1139, Lot 52, Mukim Pekan Tongkah, Kuala Langat, Selangor Darul Ehsan (developed by Merpati TPG Sdn Bhd, under a Joint Venture Agreement with the land owners.)	145,578 square feet (1.176 hectare/ 3.342 acres)	Land held for property development	Freehold	N/A	4,848
16	Malay reserved land under title 4942, Lot 1531, Jalan Makmur, Mukim Ijuk, Kuala Selangor, Selangor Darul Ehsan (developed by BRP HOMES Sdn Bhd, under a Joint Venture Agreement with the land owners.)	145,578 square feet (2.5698 hectare/ 6.35 acres)	Land held for property development	Leasehold until 29 September 2113	N/A	4,572

ANALYSIS OF SHAREHOLDINGS

as at 14 June 2024

Type of Securities	:	Ordinary shares
Issued Share Capital	:	134,918,543
Treasury Shares	:	1,289,400
Voting Rights	:	1 Vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%*	No. of Shares Held	%*
Less than 100	289	15.20	7,085	0.01
100 to 1,000	1,071	56.34	710,035	0.53
1,001 to 10,000	413	21.73	1,455,022	1.08
10,001 to 100,000	75	3.95	2,507,616	1.86
100,001 to less than 5% of issued shares	49	2.58	78,907,185	58.49
5% and above of issued shares	4	0.21	51,331,600	38.05
Total	1,901	100.00	134,918,543	100.00

* Excluding a total of 1,289,400 treasury shares retained by the Company.

THIRTY LARGEST SHAREHOLDERS AS PER RECORD OF DEPOSITORS (Excluding 1,289,400 treasury shares)

No.	Name of Shareholders	No. of Shares	%
1.	CIMSEC Nominees (Tempatan) Sdn Bhd <i>CIMB for Trillion Icon Sdn Bhd (PB)</i>	16,962,000	12.57
2.	M&A Nominee (Tempatan) Sdn Bhd <i>Pledged securities account for Mizreen Capital Sdn Bhd (M&A)</i>	13,400,200	9.93
3.	Maybank Securities Nominees (Tempatan) Sdn Bhd <i>Exempt AN for Maybank Securities Pte Ltd (A/C 649063)</i>	10,969,400	8.13
4.	CIMSEC Nominees (Tempatan) Sdn Bhd <i>CIMB for Carrillo Capital Sdn Bhd (PB)</i>	10,000,000	7.41
5.	Vista Icon Sdn Bhd	6,229,400	4.62
6.	Action Venture Sdn Bhd	5,956,000	4.41
7.	ABK Holdings Sdn Bhd	5,860,000	4.34
8.	CIMSEC Nominees (Tempatan) Sdn Bhd <i>CIMB for Paling Terbilang Sdn Bhd (PB)</i>	5,190,000	3.85
9.	Ambank (M) Berhad <i>Pledged securities account for Ali bin Abdul Kadir (SMART)</i>	4,900,000	3.63
10.	Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Rica Holdings (M) Sdn Bhd</i>	4,522,600	3.35
11.	Cornerstone Portfolio Sdn Bhd	4,200,000	3.11
12.	Citigroup Nominees (Asing) Sdn Bhd <i>Exempt AN for Bank of Singapore Limited (Foreign)</i>	4,096,185	3.04

Analysis Of Shareholdings as at 14 June 2024 (Cont'd)

THIRTY LARGEST SHAREHOLDERS AS PER RECORD OF DEPOSITORS (CONT'D) (Excluding 1,289,400 treasury shares)

No.	Name of Shareholders	No. of Shares	%
13.	CIMSEC Nominees (Tempatan) Sdn Bhd <i>CIMB for Kok Kong Chin (PB)</i>	3,000,000	2.22
14.	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Loh Chen Yook</i>	3,000,000	2.22
15.	Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Loh Chen Yook (021)</i>	2,566,300	1.90
16.	Maybank Securities Nominees (Asing) Sdn Bhd <i>Exempt AN for Maybank Securities Pte Ltd (A/C 648849)</i>	2,515,600	1.86
17.	Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Yau Kok Seng (001)</i>	2,212,000	1.64
18.	Leong Man Loong	2,094,700	1.55
19.	Sharifah Salwa binti Syed Kamaruddin	2,000,000	1.48
20.	Bee Koon Yaw	1,834,900	1.36
21.	ABK Capital Sdn Bhd	1,700,000	1.26
22.	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged securities Account for Azmil Khalili bin Khalid</i>	1,684,400	1.25
23.	Chong Mee Sin	1,312,600	0.97
24.	Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Chow Zee Neng</i>	1,200,000	0.89
25.	Alliancegroup Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Tan Kian Aik (8058967)</i>	1,168,000	0.87
26.	CIMSEC Nominees (Tempatan) Sdn Bhd <i>CIMB for Wee Yaw Hin @ Ong Yaw Hin (PB)</i>	1,000,000	0.74
27.	Trillion Icon Sdn Bhd	1,000,000	0.74
28.	Loh Chin Yew	800,000	0.59
29.	Maybank Securities Nominees (Asing) Sdn Bhd <i>Maybank Securities Pte Ltd for Cheah Teik Seng</i>	769,400	0.57
30.	Lee Kai Huat	727,900	0.54
	Total	122,871,585	91.07

Analysis Of Shareholdings
as at 14 June 2024
(Cont'd)

SUBSTANTIAL SHAREHOLDERS BASED ON REGISTER OF SUBSTANTIAL SHAREHOLDERS

No.	Name of Substantial Shareholders	No. of Shares Held			
		Direct Interest	%*	Indirect Interest	%*
1.	Tan Sri Dato' Kamaluddin bin Abdullah	7,629	0.01	40,712,000 <i>a</i>	30.18
2.	Trillion Icon Sdn Bhd	17,962,000	13.31	-	-
3.	Mizreen Capital Sdn Bhd	13,400,200	9.93	-	-
4.	Ikhmal Mirza bin Mazlin	-	-	13,400,200 <i>b</i>	9.93
5.	Chua Ming Huat	10,969,400	8.13	2,515,600 <i>c</i>	1.86
6.	Carrillo Capital Sdn Bhd	10,000,000	7.41	-	-

DIRECTORS' SHAREHOLDINGS BASED ON REGISTER OF DIRECTORS' SHAREHOLDINGS

No.	Name of Directors	No. of Shares Held			
		Direct Interest	%*	Indirect Interest	%*
1.	Datuk Ali bin Abdul Kadir	4,900,000	3.63	-	-
2.	Tan Sri Dato' Kamaluddin bin Abdullah	7,629	0.01	40,712,000 <i>a</i>	30.18
3.	Kok Kong Chin	3,000,000	2.22	-	-
4.	Tan Sri Dato' Seri Shamsul Azhar bin Abbas	-	-	2,000,000 <i>d</i>	1.48
5.	Dato' Wee Yiau Hin	1,000,000	0.74	-	-
6.	Loh Chen Yook	5,566,300	4.13	-	-
7.	Tunku Afwida binti Tunku Abdul Malek	-	-	-	-

Notes:

a Indirect interest held through Trillion Icon Sdn Bhd, Paling Terbilang Sdn Bhd, Carrillo Capital Sdn Bhd, ABK Capital Sdn Bhd and ABK Holdings Sdn Bhd pursuant to Section 8(4) of the Companies Act 2016 ("the Act").

b Indirect interest held through Mizreen Capital Sdn Bhd pursuant to Section 8(4) of the Act.

c Indirect interest held through Summit Investment Partners Limited pursuant to Section 8(4) of the Act.

d Indirect interest held through his spouse, Puan Sri Sharifah Salwa Syed Kamaruddin's direct interest in the Company pursuant to Section 59(11)(c) of the Act.

* Excluding 1,289,400 treasury shares retained by the Company.

ANALYSIS OF WARRANTHOLDINGS

as at 14 June 2024

Type of Securities : Warrants 2020/2025
 Issued Date : 29 December 2020
 Maturity Date : 26 December 2025

DISTRIBUTION OF WARRANTHOLDINGS

Size of Warrantholdings	No. of Warrantholders		No. of Warrants Held	
		%		%
Less than 100	335	17.67	5,894	0.01
100 to 1,000	1,307	68.93	402,163	0.89
1,001 to 10,000	161	8.49	588,472	1.31
10,001 to 100,000	56	2.95	1,952,291	4.34
100,001 to less than 5% of warrants in issue	32	1.69	19,275,890	42.86
5% and above warrants in issue	5	0.26	22,747,263	50.58
Total	1,896	100.00	44,971,973	100.00

THIRTY LARGEST WARRANTHOLDERS AS PER RECORD OF DEPOSITORS

No.	Name of Warrantholders	No. of Warrants	%
1.	CIMSEC Nominees (Tempatan) Sdn Bhd <i>CIMB for Trillion Icon Sdn Bhd (PB)</i>	5,654,000	12.57
2.	Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Loh Chen Yook (021)</i>	5,499,565	12.23
3.	M&A Nominee (Tempatan) Sdn Bhd <i>Pledged securities account for Mizreen Capital Sdn Bhd (M&A)</i>	4,787,232	10.64
4.	Maybank Securities Nominees (Tempatan) Sdn Bhd <i>Exempt AN for Maybank Securities Pte Ltd (A/C 649063)</i>	3,473,133	7.72
5.	CIMSEC Nominees (Tempatan) Sdn Bhd <i>CIMB for Carrillo Capital Sdn Bhd (PB)</i>	3,333,333	7.41
6.	CIMSEC Nominees (Tempatan) Sdn Bhd <i>CIMB for Paling Terbilang Sdn Bhd (PB)</i>	2,000,000	4.45
7.	CIMSEC Nominees (Tempatan) Sdn Bhd <i>CIMB for Kamaluddin bin Abdullah (PB)</i>	1,783,333	3.97
8.	Ambank (M) Berhad <i>Pledged securities account for Ali bin Abdul Kadir (SMART)</i>	1,523,333	3.39
9.	Alliancegroup Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Loh Chen Yook (8089132)</i>	1,500,000	3.34
10.	Chong Mee Sin	1,368,400	3.04
11.	Citigroup Nominees (Asing) Sdn Bhd <i>Exempt AN for Bank of Singapore Limited (Foreign)</i>	1,365,395	3.04
12.	Pu Siang Yen	1,140,300	2.54

Analysis Of Warrantholdings
as at 14 June 2024
(Cont'd)

THIRTY LARGEST WARRANTHOLDERS AS PER RECORD OF DEPOSITORS (CONT'D)

No.	Name of Warrantholders	No. of Warrants	%
13.	CIMSEC Nominees (Tempatan) Sdn Bhd <i>CIMB for Kok Kong Chin (PB)</i>	1,000,000	2.22
14.	Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Rica Holdings (M) Sdn Bhd</i>	857,533	1.91
15.	Sharifah Salwa binti Syed Kamaruddin	666,666	1.48
16.	Maybank Nominees (Tempatan) Sdn Bhd <i>Chong Kow</i>	550,000	1.22
17.	Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Francis Chai Kim Lung</i>	494,000	1.10
18.	CIMSEC Nominees (Tempatan) Sdn Bhd <i>CIMB for Intelek Kuasa Sdn Bhd (PB)</i>	466,666	1.04
19.	Bee Koon Yaw	429,700	0.96
20.	Tang Soo Ching	349,800	0.78
21.	Anuar bin Ahmad	333,333	0.74
22.	CIMSEC Nominees (Tempatan) Sdn Bhd <i>CIMB for Wee Yiau Hin @ Ong Yiau Hin (PB)</i>	333,333	0.74
23.	Trillion Icon Sdn Bhd	333,333	0.74
24.	Maybank Nominees (Tempatan) Sdn Bhd <i>Cheong Chee</i>	311,600	0.69
25.	RHB Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Harold David Fredericks</i>	253,000	0.56
26.	Maybank Securities Nominees (Asing) Sdn Bhd <i>Maybank Securities Pte Ltd for Cheah Teik Seng</i>	239,800	0.53
27.	Maybank Securities Nominees (Asing) Sdn Bhd <i>Exempt AN for Maybank Securities Pte Ltd (A/C 648849)</i>	227,533	0.51
28.	Khoo Chang Chiang	221,566	0.49
29.	Lai Thiam Poh	206,900	0.46
30.	Ong Lai Thooi	201,400	0.45
Total		40,904,187	90.95

Analysis Of Warrantholdings as at 14 June 2024 (Cont'd)

SUBSTANTIAL WARRANTHOLDERS BASED ON REGISTER OF SUBSTANTIAL WARRANTHOLDERS

No.	Name of Substantial Warrantholders	No. of Warrants Held			
		Direct Interest	%	Indirect Interest	%
1.	Tan Sri Dato' Kamaluddin bin Abdullah	1,785,876	3.97	11,787,332 <i>a</i>	26.21
2.	Loh Chen Yook	6,999,565	15.56	-	-
3.	Trillion Icon Sdn Bhd	5,987,333	13.31	-	-
4.	Mizreen Capital Sdn Bhd	4,787,232	10.64	-	-
5.	Ikhmal Mirza bin Mazlin	-	-	4,787,232 <i>b</i>	10.64
6.	Chua Ming Huat	3,473,133	7.72	227,533 <i>c</i>	0.51
7.	Carrillo Capital Sdn Bhd	3,333,333	7.41	-	-

DIRECTORS' WARRANTHOLDINGS BASED ON REGISTER OF DIRECTORS' WARRANTHOLDINGS

No.	Name of Directors	No. of Warrants Held			
		Direct Interest	%	Indirect Interest	%
1.	Datuk Ali bin Abdul Kadir	1,523,333	3.39	-	-
2.	Tan Sri Dato' Kamaluddin bin Abdullah	1,785,876	3.97	11,787,332 <i>a</i>	26.21
3.	Kok Kong Chin	1,000,000	2.22	-	-
4.	Tan Sri Dato' Seri Shamsul Azhar bin Abbas	-	-	666,666 <i>d</i>	1.48
5.	Dato' Wee Yiau Hin	333,333	0.74	-	-
6.	Loh Chen Yook	6,999,565	15.56	-	-
7.	Tunku Afwida binti Tunku Abdul Malek	-	-	-	-

Notes:

a Indirect interest held through Trillion Icon Sdn Bhd, Paling Terbilang Sdn Bhd, Intelek Kuasa Sdn Bhd and Carrillo Capital Sdn Bhd pursuant to Section 8(4) of the Companies Act 2016 ("the Act").

b Indirect interest held through Mizreen Capital Sdn Bhd pursuant to Section 8(4) of the Act.

c Indirect interest held through Summit Investment Partners Limited pursuant to Section 8(4) of the Act.

d Indirect interest held through his spouse, Puan Sri Sharifah Salwa Syed Kamaruddin's direct interest in the Company pursuant to Section 59(11)(c) of the Act.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty-Second (32nd) Annual General Meeting (“AGM”) of ENRA Group Berhad (“Company”) will be held **virtually and live-streamed** for the purpose of considering and if thought fit, passing with or without modifications the resolutions setting out in this notice.

- | | | |
|------------------|---|--|
| Meeting Platform | : | Securities Services e-Portal (“SS e-Portal”) at https://sshbs.net.my/ |
| Day and Date | : | Tuesday, 24 September 2024 |
| Time | : | 10:00 a.m. |
| Broadcast Venue | : | Meeting Room of Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium, Jalan Damanlela,
Pusat Bandar Damansara, Damansara Heights,
50490 Kuala Lumpur, Malaysia |
- Mode of Communication : 1) Typed texts through a text box within SS e-Portal before the start or during the live streaming.
2) Alternatively, you may submit your questions to ir@enra.my by 10:00 a.m. on 22 September 2024 (48 hours before the commencement of the 32nd AGM) and the Board of Directors (“Board”) will endeavour to respond to the questions submitted during the 32nd AGM.

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements of the Company for the financial year ended 31 March 2024 together with the Reports of the Directors and Auditors thereon. *(Please refer to Explanatory Note A)*
- To re-elect the following directors who retire by rotation pursuant to Article 18.3 of the Constitution of the Company:
 - Mr. Kok Kong Chin *(Ordinary Resolution 1)*
 - Mr. Loh Chen Yook *(Ordinary Resolution 2)*
- To approve the Directors’ fees and benefits payable to the Non-Executive Directors of up to RM550,000 with effect from 25 September 2024 until the next AGM of the Company. *(Ordinary Resolution 3)*
- To re-appoint Messrs BDO PLT as Auditors of the Company to hold office until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. *(Ordinary Resolution 4)*

AS SPECIAL BUSINESS

To consider and if thought fit, with or without modifications, to pass the following resolutions:

- ORDINARY RESOLUTION** *(Ordinary Resolution 5)*
AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016 (“THE ACT”)

“THAT subject always to the Act, the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad (“Bursa Securities”) and any relevant governmental/ regulatory authorities, the Directors of the Company be and are hereby empowered, pursuant to the Act, to issue and allot shares in the capital of the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares (excluding the treasury shares) of the Company for the time being;

AND THAT pursuant to Section 85 of the Act to be read together with Article 4.3 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Act AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares to be issued on Bursa Securities AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

Notice Of Annual General Meeting (Cont'd)

6. **ORDINARY RESOLUTION** *(Ordinary Resolution 6)*
PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

“THAT approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions from time to time, which are necessary for the day-to-day operations as set out in Section 2.3 of the Circular to Shareholders dated 26 July 2024 which are of a revenue or trading nature and carried out in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company, subject to the compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, Companies Act 2016 (“the Act”), the Company’s Constitution and all other applicable laws, guidelines, rules and regulations.

THAT such authority shall commence upon the passing of this resolution and shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company at which time the mandate will lapse, unless by a resolution passed at the next AGM, the mandate is renewed; or
- (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

THAT authority be and is hereby given to the Directors of the Company to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.”

7. **ORDINARY RESOLUTION** *(Ordinary Resolution 7)*
RETENTION OF DATUK ALI BIN ABDUL KADIR AS INDEPENDENT NON-EXECUTIVE DIRECTOR

“THAT Datuk Ali bin Abdul Kadir who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, be and is hereby retained as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2021.”

8. **ORDINARY RESOLUTION** *(Ordinary Resolution 8)*
RETENTION OF TAN SRI DATO' SERI SHAMSUL AZHAR BIN ABBAS AS SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

“THAT Tan Sri Dato' Seri Shamsul Azhar bin Abbas who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, be and is hereby retained as the Senior Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2021.”

9. **ORDINARY RESOLUTION** *(Ordinary Resolution 9)*
RETENTION OF MR. LOH CHEN YOOK AS INDEPENDENT NON-EXECUTIVE DIRECTOR

“THAT subject to the passing of the Ordinary Resolution No. 2, Mr. Loh Chen Yook who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, be and is hereby retained as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2021.”

Notice Of Annual General Meeting (Cont'd)

10. To transact any other ordinary business for which due notice shall have been given.

By Order of the Board

CHIN SOO CHING
MAICSA 7042265
SSM Practicing Certificate No. 202008002101
Chartered Secretary

Kuala Lumpur
26 July 2024

NOTES:

1. The 32nd AGM will be conducted virtually through live streaming and online remote voting using the remote participation and voting ("RPV") facilities hosted on the Securities Services e-Portal at <https://sshbsb.net.my/> to be provided by SS E Solutions Sdn Bhd. Kindly refer to the Administrative Guide for the AGM in order to register, participate and vote remotely via the RPV facilities.
2. The Broadcast venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 and Article 16.3 of the Company's Constitution which requires the Chairman of Meeting to be present at the main venue of the Meeting. **Shareholders/proxy(ies)/corporate representatives will not be allowed to be physically present at the Broadcast Venue.**
3. In respect of deposited securities, only members whose names appear in the Record of Depositors on 12 September 2024 (General Meeting Record of Depositors) shall be eligible to attend and vote at this 32nd AGM or appoint a proxy to attend and vote on his behalf. A proxy may but need not be a member of the Company.
4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
5. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
6. The instrument appointing a proxy or representative and the duly registered power of attorney or other authority, if any, shall be in writing under the hand of the appointor or his attorney duly appointed under a Power of Attorney, if such appointor is a corporation, either under its seal or under the hand of an officer or attorney duly appointed under a Power of Attorney.
7. The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 32nd AGM or at any adjournment thereof :
 - (i) In hardcopy form
The proxy form must be completed, signed and deposited with the Poll Administrator, SS E Solutions Sdn Bhd at Level 7, Menara Milenium, Jalan Damanela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia.
 - (ii) By electronic means
The proxy form shall be electronically submitted at <https://sshbsb.net.my/> or by fax to +603 2094 9940 or by email to eservices@sshbsb.com.my. Please refer to the Administrative Guide for the procedures on electronic lodgement of Form of Proxy.

Notice Of Annual General Meeting (Cont'd)

EXPLANATORY NOTE A

This Agenda item is meant for discussion only pursuant to Section 340(1)(a) of the Companies Act 2016 and will not be put forward for voting.

EXPLANATORY NOTES TO ORDINARY AND SPECIAL BUSINESS:

1. Re-election of Directors who retire pursuant to Article 18.3 of the Company's Constitution

Mr. Kok Kong Chin and Mr. Loh Chen Yook, who retire by rotation in accordance with Article 18.3 of the Company's Constitution, are eligible for re-election and hence, they have offered themselves for re-election at the 32nd AGM.

For the purpose of determining the eligibility of the Directors to stand for re-election at this 32nd AGM, and in line with Practice 5.1 of the Malaysian Code on Corporate Governance 2021, the Board Nomination and Remuneration Committee ("BNRC") had assessed and reviewed each of the retiring Directors from the annual assessment and evaluation of the Board, Board Committees, Independent Directors and individual Directors for the financial year ended 31 March 2024.

Each of the Directors standing for re-election had undergone a performance evaluation and had provided his declaration on his fitness and propriety to continue acting as Directors of the Company in accordance with the Directors' Fit and Proper Policy of the Company.

The BNRC had recommended that, the re-election of the retiring Directors to be based on the following:-

- (i) satisfactory performance and have met Board's expectation in discharging their duties and responsibilities;*
- (ii) met the fit and proper criteria in discharging their roles as directors of the Company;*
- (iii) level of independence demonstrated by the independent director; and*
- (iv) their ability to act in the best interest of the Company in decision-making.*

Based on the above, the Board endorsed the BNRC's recommendation on the re-election of the retiring Directors. The retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant BNRC and Board meetings, where applicable.

2. Non-Executive Directors' ("NEDs") Remuneration

- (a) At the 31st AGM of the Company held on 7 September 2023, the shareholders approved the payment of Directors' fees and benefits (meeting allowance) to the NEDs up to RM550,000 for the period from the conclusion of the 31st AGM until the conclusion of the 32nd AGM.*
- (b) Ordinary Resolution No. 3 is to seek shareholders' approval for the Directors' fees and benefits payable to the NEDs for the period commencing from the conclusion of this AGM until the next Annual General Meeting of the Company.*

The proposed amount of RM550,000.00 is computed based on the approved remuneration policy for NEDs, the anticipated number of meetings, the assumption that an additional director may be appointed and all NEDs will remain in office until the 33rd AGM, with full attendance at all relevant meetings. The fees and meeting allowances will be paid to the NEDs upon completion of service on a quarterly basis.

Any NEDs who are shareholders of the Company will abstain from voting on Ordinary Resolution No. 3 at the 32nd AGM.

Details of the Directors' fees and benefits paid to the NEDs for the financial year ended 31 March 2024 are published in the Corporate Governance Report which is available on the Company's corporate website at www.enra.my.

Notice Of Annual General Meeting (Cont'd)

3. **Re-appointment of Auditors**

The Audit, Risk Management and Sustainability Committee ("ARMSC") was satisfied that, based on the annual assessment conducted, Messrs BDO PLT meets the criteria as prescribed under Paragraph 15.21 of the Main Market Listing Requirements. The Board at its meeting held on 20 June 2024 agreed with the recommendation from the ARMSC for shareholders' approval to be sought at the 32nd AGM on the re-appointment of Messrs BDO PLT as external auditors of the Company for the financial year ending 31 March 2025.

4. **Authority to Issue Shares pursuant to the Act**

The proposed Ordinary Resolution No. 5 is for the purpose of waiving the statutory pre-emptive rights of shareholders of the Company ("Waiver of Pre-Emptive Rights") and granting a renewed general mandate ("General Mandate") and empowering the Directors of the Company, pursuant to the Act, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next AGM of the Company.

The General Mandate will provide flexibility to the Company for allotment of shares for any possible fundraising activities, including but not limited to placement of shares for the purpose of funding future investment project(s), working capital and/or acquisition(s). The General Mandate aims to empower the Company to issue new securities without convening separate general meetings to obtain its shareholders' approval, thus minimising additional costs and time expenditures.

The Waiver of Pre-Emptive Rights will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares in the Company under the General Mandate.

As at the date of this Notice of 32nd AGM, the mandate that was obtained at the 31st AGM in 2023, granting the Board the authority to allot up to 10% of the total number of issued shares of the Company, has been utilised. The Company issued 13,491,800 new ordinary shares at the issue price of RM0.65 per placement share pursuant to a Private Placement exercise.

Details of the total proceeds raised from the Private Placement and their utilisation are disclosed in the Annual Report 2024. If there is a decision to issue new shares after the General Mandate is sought, the Company will announce the purpose and utilisation of proceeds arising from such issuance of shares.

5. **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Renewal of Shareholders' Mandate")**

The proposed Ordinary Resolution 6, if passed, will enable the Company and/or its subsidiary companies to enter into recurrent transactions involving the interests of the related parties, which are of a revenue or trading nature and necessary for the Group's day-to-day operations, subject to the transactions being carried out in the ordinary course of business on terms not favourable than those generally available to the public and are not detrimental to the minority shareholders of the Company. Details on the Proposed Renewal of Shareholders' Mandate is set out in the Circular to Shareholders dated 26 July 2024.

Notice Of Annual General Meeting (Cont'd)

6. Retention of Independent Non-Executive Directors

Datuk Ali bin Abdul Kadir was appointed as an Independent Non-Executive Chairman of the Company on 1 June 2015, Tan Sri Dato' Seri Shamsul Azhar bin Abbas was appointed as an Independent Non-Executive Director of the Company on 15 June 2015, Mr. Loh Chen Yook was appointed as a Non-Independent Non-Executive Director of the Company on 1 June 2015 and was redesignated as an Independent Non-Executive Director on 29 November 2018. Therefore, Datuk Ali bin Abdul Kadir, Tan Sri Dato' Seri Shamsul Azhar bin Abbas and Mr. Loh Chen Yook have served the Board for a cumulative term of more than nine (9) years.

In accordance with the Malaysian Code on Corporate Governance 2021, prior approval should be obtained from the shareholders at the 32nd AGM, to enable Datuk Ali bin Abdul Kadir, Tan Sri Dato' Seri Shamsul Azhar bin Abbas and Mr. Loh Chen Yook to continue in office as Independent Non-Executive Directors.

The Board, through the BNRC, recommends that approval of the shareholders be sought through a two-tier voting process as described in the Guidance to Practice 5.3 of the Malaysian Code on Corporate Governance 2021 to retain Datuk Ali bin Abdul Kadir, Tan Sri Dato' Seri Shamsul Azhar bin Abbas and Mr. Loh Chen Yook as Independent Non-Executive Directors, based on the following justifications:

- *They have fulfilled the criteria under the definition of Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;*
- *They are able to exercise independent judgement and act in the best interests of the Company;*
- *They have consistently demonstrated their independence and professionalism and effectively contributed and added value to the Company through the Board; and*
- *There are significant advantages to be gained from a long-serving Independent Director who has many years of experience with incumbent knowledge of the Company and the Group's activities and corporate history, they are able to provide invaluable contributions with independence in their role as Independent Non-Executive Director.*

PERSONAL DATA POLICY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate, speak (in the form of real-time submission of typed texts) and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof) and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

- A. As at the date of this Notice, there are no individuals who are standing for election as Directors (excluding directors who are standing for re-election) at this 32nd AGM.
- B. Details on the authority to issue and allot shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in Explanatory Note 4 of the Notice of the 32nd AGM.

Number of Shares Held	
CDS Account No.	

I/We _____ NRIC No./Passport No./Company No. _____
of _____

contact number : _____ email address : _____ being a member /
members of **ENRA GROUP BERHAD**, hereby appoint _____ NRIC No./Passport No.:
_____ of _____

contact number : _____ email address : _____ or failing whom,
_____ NRIC No./Passport No. _____ of _____

contact number : _____ email address : _____
or failing whom, the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf at the **Thirty-Second (32nd) Annual General Meeting** of the Company to be held on a **virtual basis** at the broadcast venue at Meeting Room of Securities Services (Holdings) Sdn Bhd, Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia on **Tuesday, 24 September 2024 at 10:00 a.m.** and at any adjournment thereof in the manner as indicated below:

NO.	ORDINARY RESOLUTIONS	FOR	AGAINST
1.	To re-elect Mr. Kok Kong Chin as Director of the Company.		
2.	To re-elect Mr. Loh Chen Yook as Director of the Company.		
3.	To approve an amount of up to RM550,000 as fees and benefits payable to the Non-Executive Directors.		
4.	To re-appoint Messrs BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
5.	Authority to issue shares pursuant to Companies Act 2016.		
6.	Renewal of shareholders' mandate for recurrent related party transactions.		
7.	Retention of Datuk Ali bin Abdul Kadir as Independent Non-Executive Director.		
8.	Retention of Tan Sri Dato' Seri Shamsul Azhar bin Abbas as Senior Independent Non-Executive Director.		
9.	Retention of Mr. Loh Chen Yook as Independent Non-Executive Director.		

(Please indicate with an "X" in the space provided above how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his/her discretion)

Signed this _____ day of _____ 2024

For appointment of two (2) proxies, proportion of shareholdings to be represented by the two (2) proxies is as follows: -		
	No. of Shares	Percentage
Proxy 1		
Proxy 2		
Total		100%

Signature of Member/Common Seal

Notes:

- The 32nd AGM will be conducted virtually through live streaming and online remote voting using the remote participation and voting ("RPV") facilities hosted on the Securities Services e-Portal at <https://sshsb.net.my/> to be provided by SS E Solutions Sdn Bhd. Kindly refer to the Administrative Guide for the AGM in order to register, participate and vote remotely via the RPV facilities.
- The Broadcast venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 and Article 16.3 of the Company's Constitution which requires the Chairman of Meeting to be present at the main venue of the Meeting. **Shareholders/proxy(ies)/ corporate representatives will not be allowed to be physically present at the Broadcast Venue.**
- In respect of deposited securities, only members whose names appear in the Record of Depositors on 12 September 2024 (General Meeting Record of Depositors) shall be eligible to attend and vote at this 32nd AGM or appoint a proxy to attend and vote on his behalf. A proxy may but need not be a member of the Company.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- The instrument appointing a proxy or representative and the duly registered power of attorney or other authority, if any, shall be in writing under the hand of the appointor or his attorney duly appointed under a Power of Attorney, if such appointor is a corporation, either under its seal or under the hand of an officer or attorney duly appointed under a Power of Attorney.
- The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 32nd AGM or at any adjournment thereof :
 - In hardcopy form
The proxy form must be completed, signed and deposited with the Poll Administrator, SS E Solutions Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia.
 - By electronic means
The proxy form shall be electronically submitted at <https://sshsb.net.my/> or by fax to +603 2094 9940 or by email to eservices@sshsb.com.my. Please refer to the Administrative Guide for the procedures on electronic lodgement of Form of Proxy.

PERSONAL DATA POLICY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate, speak (in the form of real-time submission of typed texts) and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof) and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Fold this flap for sealing

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**AFFIX
STAMP**

SS E SOLUTIONS SDN BHD

Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur

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